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DEVELOPMENT PLAN
FOR THE
MALTESE ISLANDS

1964 - 69

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THE SECOND FIVE-YEAR DEVELOPMENT PLAN

1964-69

Since the end of the war, it has become increasingly evident that Malta's economic structure, which for the last century and a half evolved from economic dependence on the defence asset, had to change in order to maintain the growth rates attained during the past two decades. Dynamic change is an essential factor in economic development as the maintenance of a traditional structure implies economic stagnation. The need to change has been rendered more acute by the recent technological changes in defence methods.

2. The long-term aim is to create a competitive economic structure largely oriented towards the export market. Development must proceed in all sectors, particularly in industry, agriculture and tourism. These are the three main "industries" which can, and should, be geared to the export markets so that expansion and eventual growth will not be limted by the size of the home market.

3. In order to achieve this long-term objective a series of five year development plans are required. United Nations experts estimate that it would take Malta between 15 and 25 years before ultimate viability can be achieved. Malta can therefore be regarded as being in its transitional stage of development, and will continue to be so for some time to come. During this period Malta will require outside help in terms of know-how, grants and loans to achieve the required economic transformation. This outside help will be essential until the economy reaches the "take-off" stage of development, when endogenous forces will be expected to support growth and lead the economy to eventual maturity.

4. The first five year plan was launched in 1959 and revised in 1961. The plan budgeted for a total capital expenditure of £29¼ million. The stated aims of the plan were full employment and the maintenance and possibly the improvement of living standards. Industrial policy took the form of planning and servicing sites for the setting up of an industrial estate, building new factories to be let at nominal rents, and making available grants and loans to attract industries. A good part of development expenditure was also allocated to technical education, communications, sanitation and water and electricity services, as well as the undertaking of the preliminary work for developing the Island into a tourist potential, notably by improving the approaches to the beaches and by financial assistance towards the construction of hotels.

5. The plan did not achieve the projected aims mainly due to the fact that it was overtaken by events. It has nevertheless provided new investment opportunities, even though the antcipated employment figures were not attained. Up to mid 1963, Government had committed itself to grants, loans and factory construction totalling £3.2 million for manufacturing industries, anticipated to

induce £2.8 million private investment, and £1.4 million for tourism anticipated to create an additional £3.5 million of private investment in hotels. Up to date 1,760 new jobs have been created. More jobs are expected to become available as these projects mature.

6. It is manifest that the second five year plan must budget for a higher capital expenditure than was attained by its predecessor. The Defence White Paper has intimated that Malta will be reduced to a forward operating base. This implies that the annual Service expenditure will be reduced by some £10 million by 1967. The consequences of this rundown have been assessed by a Joint Study Group composed of United Kingdom and Maltese officials. The Study Group concluded that if no remedial measures were taken by 1967, unemployment would reach about 20,000 on fairly favourable assumptions and 29,000 under less favourable assumptions, National Income would drop by 15 per cent, whilst Government revenue would suffer substantial reductions. A serious economic depression of this magnitude requires a complete transformation of the economy. This can be achieved only by a substantial investment programme which will provide alternative productive employment to a number of displaced workers, and, at least in the short run, by relatively heavy emigration.

7. It is recognised that the effect on business expectations brought about by low living standards and massive unemployment must necessarily be inimical to the long-term objective of preparing an economic structure favourable to the creation of a viable export economy. It is manifest that the aims of the second plan should be put down to the provision of new jobs which, together with emigration, make up as far as possible for the loss of employment opportunities in the defence sector of the economy. This implies that the anticipated 15 per cent drop in National Income due to the defence rundown should be made good by a corresponding expansion in absolute terms in the other sectors of the economy. This aim can be achieved during the coming quinquennium by a plan of the magnitude described herein. In this plan all projects have been programmed in such a way which would not impair the long run objective of creating an efficient and competitive industrial structure. The successful realisation of this plan would ensure that the third five year plan can be programmed for an expansion of National Income, and consequently, living standards.

United Nations Mission

8. The second five year development plan is largely modelled on the advice tendered to Government by the United Nations Mission which early in 1963 undertook an economic study of Malta and submitted proposals. The Mission's recommendations are contained in their report on the "Economic Adaptation and Development in Malta". The plan takes also into account recommendations made by the United Nations Trade Policy Adviser on matters affecting tariff policy and the establishmeent of a free port.

9. The primary consideration of the United Nations Mission in formulating the second five year development plan is the preparation of an economic structure favourable to the creation of a viable export economy that ultimately will support its own growth. To achieve this long term aim, which is estimated to be attained within the next 15 to 25 years, the Mission lay great stress on the need for organizational change to achieve maximum efficiency. It is argued that, to build up an export economy, Malta has to become efficient relative to present wage and income levels in order to overcome certain disadvantages vis-a-vis its major markets with the freight costs involved.

10. The Mission warn against attempting to preserve the "status quo" by maintaining employment in particular enterprises which are not economically viable. Investment must be profitable. The curtailment of grants and the issue of interest-free loans, where possible, should help to attract only profitable investment.

11. The Mission consider that in the course of the next five years a Development Corporation should be set up embracing all the functions of the Aids to Industries section of the Ministry of Industrial Development and Tourism. The Mission also consider that the establishment of a Central Bank would serve a useful purpose. The importance of creating a capital market is emphasized.

12. The Mission argue that, as Malta's future depends on efficient export industries, it is imperative to lower import duties in order to keep the cost of production and the wage level low and thus international competitiveness high. Lower duties should also help to create a keen competition in the domestic market — this is the key note to efficiency.

13. The Mission also make recommendations for increasing the productivity of the administrative machinery. In particular a corporation is recommended whose main function will be the hiring of consultants and stepping up works. The Mission also recommend a reorganization of the Public Works Department to increase its productivity.

14. Unemployment, according to the Mission, can be kept within tolerable limits by increasing the rate of emigration to 10,000 per annum.

15. The Mission have recommended a total public capital programme costing £26.2 million, which, in their opinion, is compatible with Malta's absorptive capacity during the next quinquennium. The Mission also point out, however, that if the average living standards achieved in 1961/62 are to be maintained, total expenditure must be higher. As it is not easy to increase quickly investment in productive enterprises, this can be done by increasing either the programme of works or the level of unemployment benefits. On balance the Mission feel that the indirect effects on the economy will be greater when the spending takes the form of public works than when it takes the form of national assistance.

16. The implications of the present economic climate on the Government finances as envisaged by the Mission are that the recurrent budgetary expenditure from £31.1 million in 1962/63 will rise to between £16.6 million and £17.2 million in 1968/69 depending on the rate of emigration. On the other hand, if the present rates of taxation continue, there may be a decrease in revenue of about £1 million. The Budget deficit will be of the order of £3 million to £5 million. The Mission were of the view that additional revenue might be found by taking out of the recurrent budget, expenditure on emigration and technical education, and placing it in the capital budget to be financed by the United Kingdom Government. A sales tax could be levied. The changes in the customs tariffs could be worked out in a way so that they will not be detrimental to revenue. Subsidies could be reduced and income tax could be readjusted. The United Kingdom Government could be asked to make an annual payment to cover the cost associated with the forward base to be established in Malta. These adjustments would ensure a balanced budget.

17. The Mission worked out the effect of an expenditure of £35.9 million on the economy as a whole and showed that, with such an expenditure, the Gross National Product in 1969 would be between £44.1 million and £45.2 million against a Gross National Product of £46.7 million in 1962. Furthermore, the Mission examined the implications of the proposed exependiture of £26.2 million and showed that, under favourable assumptions, Gross National Product would be £41.5 million in 1969 and, under less favourable assumptions, the Gross National Product would fall to £40.5 million, that is, a drop of £6.2 million when compared with 1962.

General Aims of the Plan

18. Malta's eventual salvation lies in a competitive industrial structure largely oriented towards the export market. This is a long-term objective. To achieve this end, it is important to develop the will to change and to make the Island economy more efficiency-minded. To be able to sell on the highly competitive export market. Malta's labour force must be efficient enough to render the final product competitive. Government will do all in its power to help develop an attitude conducive towards the acceptance of change and render the economy more efficient. There is no doubt that Malta's labour force would rise to the occasion.

19. Malta's economic transformation is rendered more complex by the shortness of the period within which the Island will be reduced to a forward operating base and the magnitude of the implications brought about by such a change. This problem is likely to be intensified by the fact that the emerging sex ratio of future industrial employment will be more female intensive than the employment opportunities available in the past. In an assessment of the potential labour supply, due consideration must be taken of the increase in female activity rates. Forces will be set in motion in the economy to ensure such an increase. The male discharges from the Services, the increased dependency ratio, the further imbalance in the female sex ratio brought about by emigration, are all factors which are likely to compel more females to seek gainful employment.

20. The employment creating potential of the plan is about 5,400 new jobs in industry and tourism together with an additional employment of 400 in the public sector. In addition investment in agriculture is expected to stem the drift from the land which has been going on for a number of years. Although the plan aims at the creation of a substantial number of new jobs, the factors mentioned in paragraph 19 above necessitate an overall annual emigration of 7,500 to ensure that the unemployment position will not worsen.

Population Policy

21. To counteract the evils of over-population or rapid population increase vis-a-vis the jobs that can be created during the next five years, the Mission recommended an emigration target of 10,000 persons a year. It is felt that such a target is too high and that an emigration of 37,500 for the next five years is more appropriate. It is probable that the aim should be 10,000 for the first two years which can be gradually reduced as the plan gathers momentum.

22. In assessing a desirable level of emigration, the economic implications must be evaluated. It is widely held that over-population is an anti-development factor. Any country faced with a rapid increase in population requires substantial investment to maintain per capita incomes. The increased population has to be equipped with capital merely to maintain existing levels. In such circumstances development, defined as increased per capita incomes, becomes very difficult. In the special case of Malta, the anticipated reduction in jobs caused by technological obsolescence renders the situation more complex. The economic situation of Malta does not appear to permit an increase in population during the next five years.

23. The reduction in fertility rates, which has been in evidence for some time past, would tend to contain population growth, but this is a long-term process, since no demographic factors are at work to change suddenly and substantially the level and pattern of current fertility. The alternative is a level of emigration high enough to check the demographic growth and if possible to decrease the population without creating a shortage of skilled labour detrimental to development and without increasing the burden of dependency and the social effects of an unbalanced sex ratio.

24. Emigration is normally concentrated on the adult age group, i.e. the active or potential workers. In addition, there is a tendency for the more enterprising to leave the country. This is clearly a waste of resources and should not be pushed beyond the limits of what is absolutely essential. Malta's industrialization future rests on the more enterprising units of labour, skilled in the jobs of the future. It is, of course, not easy to forecast the number of skilled people that are likely to emigrate. On an average, in 1960-62, 20.6 per cent of emigrants were skilled. If this parameter continues, then 6,953 skilled individuals will be lost through an emigration of 37,500 in five years as against 9,296 through an emigration of 50,000. Set against this, the technical institutes and known apprenticeship schemes should provide 3,736 skilled persons during the quinquennium. A drain

of skills two and a half times as high as the anticipated new supply might create a serious labour shortage in just those skills which may prove to be the cornerstone in building the future structure of Malta.

25. An unduly high emigration level tends to create a lopsided age distribution. The combination of high birth-rates and high emigration rates is economically wasteful since a high number of children are prevented from surviving to repay by sustained production throughout their working lives the investment made in them in terms of food, clothing, shelter, education, training and other services. A high dependency ratio would mean a heavy investment in the bringing up of a new generation for productive work which is then lost to other countries by emigration. The proportion of the Maltese population of working age was 57.6 per cent in 1962, roughly one-sixth less than in the United Kingdom (65.3 per cent in 1960 in U.K.). A sustained emigration effort of 10,000 would reduce this to 56.4 per cent, whilst an annual emigration of 7,500 would reduce it to 57.4 per cent.

26. An emigration target of 7,500 per annum is more than sufficient to offset the natural increase in numbers, and the population is likely to diminish from 318,620 in 1962 to 303,644 by 1969. The decrement in the male compensation will be greater than that in the female component because of the unbalanced sex composition of emigration. The projection is given hereunder:—

Projected Maltese Population

Year	Males	Females	Total
1962	153.366	165,254	318,620
1963	153.363	165,435	318,798
1964	152.241	165,146	317.387
1965	150,384	164,049	314,433
1966	148.529	163.069	311,598
1967	146,752	162.281	309.033
1968	144.937	161.464	306,401
1969	143,065	160,579	303,644

27. The labour supply is a function, among other things, of the size of population. In forecasting the number of persons that are likely to seek gainful employment during the next five years, it has been assumed male activity rates, i.e. the proportion of males aged 14-64 seeking employment, will remain constant at the 1962 levels. Such an assumption, however, does not appear proper, in the case of female employment. There are a number of factors which should in future induce a rise in female activity rates. Female labour is increasingly becoming more fashionable. In 1956 female activity rates were 15.2 per cent of all females aged 14-59 and this figure rose to 17.1 per cent in 1959 and to 18.2 per cent in 1962. There is therefore, an indication of a "natural" growth in these rates. Furthermore, the male discharges from the Services should compel more females to seek employment in order to supplement the shrinking family income. In addition, the pattern of new industries that has been emerging during the last couple of years has shown that the demand for new labour is more female intensive than it has been in the

past. The changing sex ratio of the population, which will become more unbalanced even with an annual emigration of 7,500, should militate in favour of more females seeking employment. Finally, the reduction in the adult population with implication of a higher dependency ratio also ensures an increase in the activity rates. Certainly the potential female labour force is abundant, and comparatively large increases in activity rates can be quickly achieved.

28. It is of course highly conjectured to project the growth of female activity rates. It has been thought proper to assume that the new female jobs created (taken as 50 per cent of new jobs in industry and tourism) would increase the female activity rates proportionately. The estimate of the total labour supply is as follows:—

Year	Males	Females	Females Activity Rates*	Total
1964/65	74.007	17.062	18.2 per cent	91.069
1965/66	73,294	17.058	18.3 per cent	90,352
1966/67	71,467	17,570	19.0 per cent	89.037
1967/68	71,005	17,902	19.5 per cent	88,907
1968/69	70,803	18,334	20.0 per cent	89,137

* The proportion of females in the 14-59 age group seeking gainful employment.

Industrial Policy

29. Fundamental to long-term viability is the preparation of an efficient industrial structure. Industrial policy should, therefore, be largely oriented to achieve this aim. During the first five year plan, industrial development was entrusted to an Aids to Industries Board. This was a necessary first stage towards an industrial policy. Now that the industrialization drive has gathered momentum, a more specialised organizatoin is called for. The Government will obtain technical assistance for the setting up of a Development Corporation which would assist in providing the necessary finance for industrial development.

30. Industrial aid during the first five year plan was largely based on grants. This was an essential first step to create an industrial basis for the economy. Industrial aid can during the next five years be more selective to give maximum long-term benefit to the economy. In particular, wherever possible, interest-free loans would be substituting grants, although grants would continue to feature in the industrial aid policy to be followed. This implies that industrial policy should gradually be oriented to higher interest-free loans and a lower quantum of grants.

31. The curtailing of grants and the institution of a scheme of interest-free loans would ensure that only the more efficient enterprises are attracted. In addition such a scheme would maintain the Corporation in funds. It may prove difficult to introduce immediately such a fundamental change in policy as this might decrease the tempo of industrialization.

32. It is also important to aim at encouraging local investment. The present policy of granting aid irrespective of the origin of investment may create a long run situation in which the economy will be unduly dependent on foreign capital. This policy requires adjustment. It is felt that in future a policy of differential grants should be resorted to militating in favour of those industries which have a part of their capital, say, not less than 25 per cent, subscribed by local investors.

33. The problem of protecting the home market does not offer an easy solution. On the one hand, it is admitted that protection might militate against the introduction of new cost saving techniques. On the other hand, the home market, even though admittedly small, is an additional inducement to potential investors.

34. A mild protective policy would continue in the next plan. Those long-established industries which have been operating under a protective umbrella would continue to enjoy their protection. The long-term aim must necessarily be free compentition to create an efficients tructure able to compete in international markets Such a policy would be initiated by means of a revised customs tariff.

35. The experience of the first five year plan has shown that certain industries which have been attracted to Malta are female labour intensive. The reduction in male employment opportunities in the Service Establishments calls for the attraction of male intensive industries. Government will be contacting an international organization to undertake a feasibility study to establish which male intensive industries could be set up on the Island.

36. The overriding consideration in Malta's industrial policy is to increase the export potential by attracting new industries, by developing tourism and by establishing a horticultural industry. The inducements to be offered to prospective hoteliers, agriculturists and industrialists in the way of grants and loans during the course of the next five years has been put at £7 million. This contribution by the public sector is expected to generate a further £9.5 million in private investment. In addition £1 million is provided for the construction of Government-owned factories. The overall investment of £8 million represents about 20.8 per cent of the total government capital programme. This investment, at the end of the five-year period, will increase Malta's potential industrial production by about 55 per cent above current production levels. This should make possible an increase in Malta's visible exports, during the next five years, of some 90 per cent on 1963 out-turn.

Monetary Policy

37. The present monetary and banking system has been oriented towards foreign investment. A new monetary and financial system is now required to ensure that the economy will have easy access to local finance. This would necessitate the establishment of a Central Bank. This Bank would control banking credit and help to mobilise Malta's reserves for development. This Organization, which would advise Government on monetary policy, would also be a necessary complement to the Development Corporation.

38. Government is seeking advice for the establishment of an Export Credit Agency in order to give an impetus to the expansion of the export potential of the economy by providing better credit facilities.

39. An industrial economy requires a capital market to facilitate the stock transactions. Such a market can first be based on Government stock and will later include transactions in equity. The presence of a Central Bank will help towards the establishment of such a capital market.

40. The need to create a capital market is accepted as a fundamental requirement. The beginnings of such a market can be based on the loans for power generation and the shares of public corporations. The setting up of public corporations will ensure efficiency and commercial viability whilst allowing Government to participate in their investment planning.

Taxation Policy

41. Government will adopt a tax policy conducive towards industrial growth. One of the aims would be to reduce, and in most cases abolish, duties on machinery and raw or semi-manufactured materials required for industrial purposes. This should reduce costs of production and thus render local industries more competitive on the export market.

42. Company taxation will be designed in such a way as to render more attractive the ploughing back of profits. Undistributed profits are a necessary form of company savings, leading to an increase in the value of their capital. Such savings will render companies sufficiently liquid to carry out expansionary policies and deal more effectively with technological obsolescence. Measures will be taken to create suitable tax incentives to encourage such forms of company savings. Government is also studying measures which would render investment in local enterprise more attractive.

Foreign Trade Policy

43. The Government is following with active interest the current negotiations between the various established trade blocks. Malta's foreign trade policy will be aimed at maximising the long run benefits accruing to the economy, without prejudicing Commonwealth relations.

44. During the course of the next five years, Malta will seek to negotiate trade agreements beneficial to the export trade.

45. Measures are being taken for the establishment of a limited free port area. This should ensure that Malta will regain its former position as a centre for entrepot trade. The free port area would also permit the establishment of selected industries free from customs duties. This would help such industries to become more price competitive. Such an arrangement will not prejudice relations with any trade block.

Government Investment in the Five Years 1964/69

46. The aims and policies outlined above will necessitate a Government investment programme of £38.4 million, of which £8 million will be earmarked as grants and loans for tourism, agriculture and industries. Such an investment is ex-

pected to generate a further investment of £9.5 million by entrepreneurs. In addition, it is also anticipated that the private sector would invest £7.5 million in construction and £15.7 million to make good depreciation and technological obsolescence. This leads to a projected total capital formation of about £68.8 million. This sum, of course, does not include the value of expropriations. The economic implications have been worked out and are presented as Appendix III.

47. As stated in paragraphs 15-17 above, the Mission, whilst recommending a total expenditure of £26.2 million, have shown that to maintain current per capita incomes, a total outlay of £35.9 million will be necessary. It is felt that Malta's absorptive capacity during the next quinquennium should be increased to make possible the larger investment. The Mission, in their estimate of £35.9 million, did not provide for the carry over from the first development plan, for war damage, including acquisitions, and for the new university plan. For these reasons the plan outlined in Appendix I provides for a capital investment of £38.4 million. The maintenance of current living standards at this level of investment presupposes an emigration of 37,500 in the next quinquennium.

48. A major emphasis during the next five years has been given to industrialization, tourism and glass-house horticulture. All other economic activities have been co-ordinated with these three major efforts. Economic services have been selected in a way to stimulate productive enterprises; expenditure on schools bears a relationship to pupils to be taught and the availability of teachers; roads relate to plans for tourism, the elimination of traffic bottlenecks and the need to link factories, port and airport; and investment in housing bears some relationship to slum clearance, to the number of families that will have to be housed, and unavoidably to the amount of subsidies that the economy can afford.

49. The yearly expenditure, summarised below, has been phased in such a way as to provide for a gradual re-orientation of the economy towards the attainment of economic viability while at the same time avoiding a deterioration in the level of unemployment.

Phasing of Capital Expenditure £000's

Year	Grants, Loans and Factory Construction	Other Capital Expenditure	Total
	£	£	£
1964/65	1,592	6,302	7,894
1965/66	1,425	7,132	8,557
1966/67	1,778	6,211	7,989
1967/68	1,562	5,531	7,093
1968/69	1,679	5,205	6,884
	8,036	30,381	38,417

Financial Resources

50. The economic plan had to aim at the maintenance of the present level of per capita National Income during the next quinquennium because the economy of Malta is moving into a transitional period in which Government financial resources and general technological deficiences are a limiting factor in the development of these Islands. The substantial reduction of disbursements in Malta by the Services affect the current budgetary position of Government to such an extent that ordinary revenues are not expected to be sufficient to meet the year to year commitments of the administration. The re-orientation of the tax structure from a purely fiscal instrument to one conducive towards industrial growth will also place limitations on the revenue raising potential. The effect of capital expenditure on the recurrent budget, the need to service additional borrowings to support the plan and the fact that revenue from certain essential services which are being hived off will be lost, are other disturbing factors reflected in the budgetary position. As a result of these considerations, it has not been found possible to make any contribution from ordinary revenues towards financing the capital budget.

51. The finance for the plan has therefore to be found mainly from external sources. An endeavour will be made at the same time to raise local loans, but these are not expected to be higher than about 10 per cent of the total cost of the plan. It has not been found possible to keep the cost of the plan below the limit of £38.4 million (vide paragraph 47) as provision had to be made for a higher income generating investment to make up for the Services rundown which is anticipated to extend up to 1967 and is estimated to cost the economy a reduction in the Service disbursement of £10 million a year.

52. The development programme has been planned to meet the basic, economic and social services in the following proportions:—

Basic Services	£ 3.4 million
Economic Services	£24.3 million
Social Services	£10.2 million
War Damage Compensation	£ 0.5 million
	£38.4 million

The projects included under each of the first three classifications are to a large degree directly related to the economic development of these Islands and follow the criteria described earlier (vide paragraph 48).

53. During the 1959/64 plan period, Malta secured the invaluable capital contribution from the British Government of £22 million. In addition, a capital contribution of £7½ million was allocated for the conversion of the Naval Dockyard into a

commercial yard. The amount of £22 million was made up of an allocation of £12 million from the Colonial Development and Welfare Fund, a grant of £1.4 million war damage funds, an allocation of £3.6 million from Colonial Grants and Loans Fund and of £5 million Exchequer Loans. Excluding the allocation for the conversion of the dockyard, which is controlled directly by the Council of Administration, the unspent balance from the territorial allocation of £22 million was £2,198,491 from the grant money and £2,834,289 from the Exchequer Loan allocation. These sums do not include the balance of £267,129 from grants totalling £399,475 made by the Inter University Council to the Royal University of Malta. These grants were in addition to the £22 million mentioned above. Provision is being made in the present plan for the continuation and completion of projects contemplated in the first plan.

54. A long-term loan of £2.7 million was obtained in September, 1963, from the International Bank for Reconstruction and Development to meet the offshore procurement element of the new power station and water distillation plant which was estimated to cost £3.6 million in the 1959/64 plan. Work on the project was only started late in 1963 and a sum of £3,435,273 was not utilized by March, 1964; this amount will be available for the completion of the project during the current development plan.

55. The capital investment programme of £38.4 million includes a heavy investment in infrastructure which could perhaps have been phased over a longer period had it not been for the need to cushion off the effect of the Services rundown. It is felt that heavy unemployment should be avoided at all costs in order to create the social climate so essential for the success of the industrialisation drive.

56. Out of the total capital requirements of £38.4 million of the plan, the financing of the Power/Water Distillation project is underwritten to the extent of £2.6 million by a loan from the International Bank for Reconstruction and Development. This five year plan includes the second phase of this project estimated at £1.4 million which it is hoped will be financed from the same source. The Malta Electricity Board will also find from its own revenues a sum of £1.4 million to finance part of the Power/Water Distillation project and other electricity development works. In addition, it is planned to provide a further £4.1 million by way of internally financed loans. Capital to finance the balance of £28.9 million has to be found from external sources. On the basis of past experience it is reasonable to assume that commitments of the order of £2.4 million will not come up for payment during the plan period. The funds that would be needed to meet capital costs that will have to be paid for during the five year period might therefore not exceed £36 million.

57. One of the main aims of this plan is the establishment of a Development Corporation which would channel investment to the industrial, agricultural and touristic sectors. A sum of £8 million is earmarked out of the overall plan allocation of £38.4 million for this type of economic investment. On the institution of the Development Corporation the necessary funds will be made available by Govern-

ment for such development through the Corporation. The Commonwealth Development Corporation is being invited by Government to advise on the setting up of a Development Corporation to manage these funds and to attract other local and foreign capital.

58. Nothwithstanding the fact that only £8 million are anticipated to be spent by the Corporation during the next five years, it is assessed that this institution will need some £20 million over a period of fifteen years. This overall capital requirement has been taken into account in the financial arrangements made with the British Government and funds will be available for this purpose for this decade.

59. Work on the conversion of the Dockyard for civilian use will continue. The British Government undertook to make available the unexpected balance of £1.789 million of the original allocation of £7.25 million under the existing terms and conditions.

Recurrent Budget

60. The Mission (vide paragraph 16) found that Government during the quinquennium under review would not be able from its own resources, to balance the budget and they estimated a deficit ranging from some £3 million to £5 million between 1964/65 and 1968/69. The Mission estimated a net reduction in revenue of £1,025,000 based on current rates of taxation and an increase in disbursements of £3,691,000 as compared with 1962/63. Increased taxation and other measures which could be taken locally were estimated to decrease the deficit by some £1 million, leaving an uncovered balance of £3.7 million.

61. A reassessment of the budgetary position which had to be based on a large number of imponderables, confirmed that, for the next five years, budget deficits will occur as a result of the following five main factors:—

(i) The upsetting effects, already in evidence, of the planned run-down of local Service establishments;

(ii) The heavy and progressively increasing burden of recurrent expenditure as a consequential effect of Government's capital spending;

(iii) The loss of revenue incidental to, and presupposed by, the successful pursuit of policies in the field of industrialization and tourism;

(iv) The stringent budget policies pursued between the years 1958/1962; and

(v) The expenditure associated with developments in the constitutional sphere.

62. A forecast of the fiscal consequences of the Services run-down, drawn up by a Joint Study Group late in 1962, showed that the run-down would make inroads on revenue of between £2 million and £3 million per annum by 1967 and the resultant heavy unemployment would produce an increase in expenditure of the order

of £1 million a year. This assessment did not take account of the revenue implications of the following three factors:—

(a) The decline in the adult productive segment of the population as a result of accelerated emigration;

(b) An increase in the female component of the gainfully occupied element of the population; and

(c) The substantial net loss of population presupposed by fulfilment of the plan's emigration targets.

From the expenditure side, the additional burden of £1 million was based on the run-down which is only one of the five factors referred to in the preceding paragraph. In view of these considerations, it is arguable that the Group estimate may in fact prove to be short of the true mark. On the other hand, it is true that the Group have not taken into account the remedial measures proposed in the plan.

63. The annual rate of emigration and the magnitude of the capital investment programme have a direct bearing on the budgetary situation in each of the five years under review. An accurate assessment of the interplay of these main forces cannot be made as they are affected by too many unpredictable factors. In order to relieve the pressure on the recurrent budget, the cost of emigration is being financed from capital funds. The quantum of emigration envisaged in this plan would cost about £2.8 million. This would raise the total anticipated capital spending for the quinquennium from £36 million to £38.8 million (vide paragraph 56)

64. Malta will require budgetary assistance for some time to come. The British Government cannot enter into commitments as regards budgetary aid due to the number of imponderables involved; but would be prepared to consider requests for budgetary assistance which may be made from time to time. The British Government is making available a sum of £600,000 of budgetary aid in the first year of this plan.

Conclusion

65. The uncertainties of the future make it essential that any new development plan should contain modest aims in so far as economic growth is concerned. Though it would have been desirable from a social point of view to aim at a rate of growth at least as high as that achieved in the past, nevertheless, the size of the anticipated Services run-down does not make this possible. It is to be remembered that the Joint Study Group have emphasized that, if remedial action is not taken, the National Income of Malta would drop by 15 per cent and unemployment would reach the level of som 20,000 to 29,000. Under these circumstances, a development plan aiming at full employment and an increase in per capita incomes, would require a heavier capital programme than Malta's absorptive capacity could bear during the next five year. It is essential, however, to maintain the present living standards and to ensure that the unemployment position would not deteriorate. Even these very modest aims are hard to attain with the present population level.

It becomes imperative, during the coming five years to decrease Malta's population without at the same time creating a shortage of skills which are a very essential asset in any developing economy. The emigration target has been put at an annual overall average of 7,500. This is estimated to reduce the population by some 15,000 by 1969.

66. It has been shown by means of national income projections that a public investment programme of £38.4 million would achieve the modest aims outlined above. The United Nations Mission have recommended a lower public investment programme of £26.2 million and an emigration rate of 10,000 per annum. This recommendation has been based on the Mission's assessment of Government's absorptive capacity. The Mission showed by means of projections that such an investment would result in a drop of per capita incomes and consumption of 9 per cent and 8 per cent respectively. This would mean a serious depression. It is almost certain that absorptive capacity can be greatly increased during the coming five years by using the resources released through the Services run-down, by administrative changes, as well as by increasing use of consultants and contractors. An analysis of the projects submitted revealed that it would be possible to achieve the targets set by a judicious allocation of work among consultants, contractors and the Public Works Department.

67. Alternative projections to those supplied by the United Nations Mission reveal that a public investment of £38.4 million would result in a drop of 3.5 per cent in the Gross National Product, whilst, the lower investment figure of £26.2 million would result in a drop of 11.2 per cent. The latter investment would also increase the unemployment levels from the present 6,300 to some 13,100. Certainly, such a depression should be avoided by improving absorptive capacity to allow for an investment of £38.4 million. It is to be noted that all these forecasts assume a constant (1962) price and wage level. If the price level increases, the loss in real terms would, of course, be much higher than these figures suggest.

68. In addition to the capital aid required to cushion off the drastic effects of the Services run-down, Malta would also require assistance in balancing the budget on current account. It has been shown that Government's recurrent expenditure cannot be decreased without lowering the standards of efficiency and social services. On the other hand, diversification imposes serious limits to new taxation for the next five years. New taxation and more efficient tax collection are anticipated to yield additional revenue. To aim at too high a figure is dangerous as higher tax rates would create serious disincentives to development and a rising price level which must be avoided at all costs if Malta is to achieve international competitiveness. If Malta is to be given a fair chance to attain eventual economic viability, aid on the recurrent side becomes indispensable until such a time as Malta can increase its productivity and its per capita incomes, when higher tax rates can be imposed. As mentioned in paragraph 64, the British Government has accepted to aid Malta on this plane and has entered into a commitment of £600,000 during the first year of the plan.

69. It is difficult to discuss with a certain degree of confidence Malta's future beyond the next five years. Much would depend on the actual unfolding of the plan, on attainment of targets on other imponderables far too numerous to access.

Nevertheless, future prospects appear good. If all targets are attained, forces would have been released in the economy capable of increasing the Gross National Product by about 11 to 12 per cent. It is true that this expansion would be counterbalanced by the effect of the Services run-down. However, if enterpreneurs would respond to the various inducements offered, Malta's economic structure would have changed, and the foundations would have been laid for the achievement of self-sustained growth. Once the Services run-down comes to an end, which on present forecasts it should do by 1967, all investment projects would result in an increase of the national product. It will be possible, therefore, during the third plan to aim to resume progress as opposed to arresting deterioration. It is highly conjectural at this stage to discuss growth targets for the third plan, but on the experience of the past it appears reasonable to expect a growth rate of between 3 and 4 per cent per annum. Once development would get under way, and the various industrial, agricultural and tourist development projects would have started gathering momentum, the scope of government intervention would diminish. This indicates that growth rates can be achieved with a lower quantum of public investment. The increasing incomes would improve taxable capacity and enable Government to introduce fiscal measures which would bridge the gap between government recurrent income and expenditure.

70. Malta has secured, through the financial agreement reached with the British Government, £51 million of development aid to finance this plan and the next. The allocation for the first three years of this plan has been agreed at £18.8 million inclusive of £1.7 million for the conversion of the Dockyard. The amounts to be made available for the last two years of the plan will be the subject of future negotiations. In addition, the British Government has agreed that the allocation for this five year plan will be made available in the proportion of 75 per cent gifts and 25 per cent loans. The financial assistance secured for the decade ending 1974 supplemented by local investment, other possible assistance from international financial organizations, and the co-operation of other friendly nations, will enable Malta to achieve the economic transformation described above which will eventually lead Malta to economic viability.

71. The second five year development plan presents a challenge to the people of Malta and Gozo in their struggle to attain economic viability. The task is a formidable one requiring a major combined effort by all sections of the population. Government is providing a framework within which dynamic forces can be set in motion. The people of these Islands realise that they are the primary contributors towards the implemention and success of the plan. Historic occasions provide evidence that Malta has always made a supreme effort whenever the need arose. Government is confident that local capital and entrepreneurship will be forthcoming to assist in the development of these Islands. The working population realises that it has to work harder, in order to increase productivity. It is only by this will to invest, to work and to produce more, that industry could become more profitable and foreign investment be attracted to these shores. This national effort creates an atmosphere propitious for aid to be extended to Malta by those with whom we have had a long association, and with whom we are prepared to share both the enjoyment of all that we hold dear in the ideological, political and social spheres and the sacrifices which their preservation entails. Malta trusts that in this manner the required economic transformation will be achieved.

APPENDIX I

DETAILED PROGRAMME OF WORKS

TELEPHONE DEVELOPMENT

Total Allocation — £767,031

Although consideration is being given to the hiving off of the Telephone service, in view of the anticipated higher demand for this essential system of communication as a result of the expansion of tourism and industry, it was thought appropriate to make provision for the expected expansion in the Plan. The number of waiting applicants for the provision of a telephone service and the ever increasing demand for such service have made it necessary to develop, in some cases to the full capacity, the existing automatic telephone exchanges. In the case of the Central Automatic Exchange, however, for technical reasons it is considered more economical to provide an entirely new automatic exchange at B'Kara rather than to increase the capacity of the exchange beyond the 10,000 lines limit.

2. At present, there are well over 2,000 waiting applicants and these are increasing at the rate of over 1,000 per annum. The various exchanges between them have just over 11,000 working lines and it is anticipated that by 1968 this figure will be increased to little short of 20,000.

3. The provisions in the chapter cover the cost of extending nearly all the exchanges, including the purchase and laying of cables; the installation of a new telephone exchange at B'Kara; the replacement of a number of obsolete telephone instruments; the provision of an automatic switchboard at the Dockyard and the provision of a number of kiosks.

DETAILS OF SCHEMES

Item 1. *Extension of the Central Automatic Exchange* £224,494

This exchange, installed in 1957, had an initial capacity of 4,300 lines. This was subsequently extended to 7,000 but the building is suitable for a capacity of 10,000 lines. There are at present 6,621 working lines on this exchange and having regard to the number of applicants, waiting and prospective, it is advisable to extend the exchange from the present 7,000 lines to its fullest capacity of 10,000 lines. On present trends, the full capacity of this exchange will soon prove inadequate to meet all the demands. To relieve pressure on this exchange, provision has also been made for the installation of another automatic exchange at B'Kara which is one of the major areas served by the exchange and is centrally situated (see item 11).

Item 2. *Main cables, Central Automatic Exchange* £1,597

This provision is available from the 1959/64 Plan.

Item 3. *Extension of the Sliema Automatic Exchange* £115,739

In the Sliema Region a number of hotels and other tourist establishments are being constructed. The area served by this exchange is also one of the most densely populated parts of the Island. Provision is being made to increase the present capacity of 5,000 lines to 7,000 lines to meet the anticipated demands and for the purchase of land adjoining the building of the Sliema Exchange to provide for future expansion.

Item 4. *Main cables, Sliema* £605

The provision is available from the 1959/64 Plan.

Item 5. *Extension of the Rabat Automatic Exchange* £25,913

The capacity of this exchange is being increased from 600 to 800 lines to meet the present and the prospective demands for a telephone service in the areas served by this exchange.

Item 6. *Extension of the St. Paul's Bay Automatic Exchange* £32,609

St. Paul's Bay, from a relatively small summer resort is developing rapidly into a residential area with tourist development potentialities. To meet present and prospective demand for telephone service, the capacity of the exchange has to be increased from 500 lines to 800 lines.

Item 7. *Main cables, Msierah* £21,500

This provision is available from the 1959/64 Plan.

Item 8. *Replacement of 2,000 obsolete telephone instruments* £14,790

Provision is being made for the replacement of 2,000 telephone instruments which have been in use for quite a long time and are now almost obsolete.

Item 9. *Extension of the Sliema Telephone Exchange building* £841

This provision is available from the 1959/64 Plan.

Item 10. *Replacement of manual switchboard at the Dockyard* £21,120

The existing manual switchboard at the Dockyard which was purchased from the Admiralty at a nominal price has long passed its useful life. To give good service to this major industrial eestablishment the almost obsolete exchange is being replaced by an automatic one.

Item 11. *New Telephone Exchange at Birkirkara* £295,420

As indicated under Item 1 above, the full capacity of the Central Automatic Exchange will not be sufficient to meet present and prospective demand for telephone service to the area served by it. To relieve pressure on this exchange it is necessary to instal a new telephone exchange of the automatic type at Birkirkara with an initial capacity of 3,000 lines and an ultimate capacity of 7,000 lines. This exchange is intended to serve Birkirkara, Attard Lija, Balzan, Żebbuġ, Mosta, Gharghur, Naxxar, San Pawl tat-Tarġa and part of Hamrun. The new exchange will take over 2,000 lines from the Central Exchange. The total cost of the project is £320,000.

Item 12. *Provision of additional telephone lines in the Central Exchange Area* £1,478

This provision is available from the 1959/64 Plan.

Item 13. *Replacement of submarine cable between Gozo and Comino* £4,220

The cable between Comino and Gozo was laid in 1936 and is due for replacement.

Item 14. *Kiosks* £4,240

The present number of telephone kiosks fall far short of the demand for this type of service. Provision is being made for the construction and erection of 24 telephone kiosks in various localities in Malta and Gozo, according to requirements.

Item 15. *Extension of Birżebbuġa Telephone Exchange* £8,490

The Automatic Exchange at Birżebbuġa has at present a capacity of 200 lines but is capable of extension up to 600. The capacity of this exchange has to be increased from 200 to 300 to meet existing demand for telephone service in the areas served by this exchange and to provide for anticipated expansion.

Item 16. *Automatic Exchange, Gozo* £2,146

This amount is meant to cover retention money due to contractors for the provision and installation of this automatic exchange which was carried out in the preceding Plan.

TELEPHONES

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure 1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Extension of Central Automatic Exchange	229,494 (b)	62,000	81,520	50,000	35,974	—
2	Main cables, Central Automatic Exchange	1,597 (a)	1,597	—	—	—	—
3	Extension of Sliema Automatic Exchange	115,739 (c)	27,000	38,000	20,000	30,739	—
4	Main cables, Sliema	605 (a)	605	—	—	—	—
5	Extension of Rabat Automatic Exchange	25,913 (d)	9,000	7,500	8,340	1,073	—
6	Extension of St. Paul's Bay Automatic Exchange	32,609 (e)	3,160	6,000	23,449	—	—
7	Main cables, Msieraħ	4,512 (a)	4,512	—	—	—	—
8	Replacement of 2,000 obsolete telephones	14,790	7,400	7,390	—	—	—
9	Extension of Sliema Telephone Exchange building	841 (a)	841	—	—	—	—
10	Replacement of manual exchange at Dockyard	21,120	106	21,014	—	—	—
11	New Telephone Exchange at B'Kara	295,420 (i)	6,350	78,650	70,800	80,850	58,770
12	Provision of additional telephone lines in the Central Exchange area	1,478 (a)	1,478	—	—	—	—
13	Replacement of submarine cable between Comino and Gozo ...	4,220	—	4,220	—	—	—
14	Telephone kiosks	4,240 (f)	1,060	1,060	1,060	1,060	—
15	Extension of Birżebbuġa Automatic Exchange	8,490 (g)	2,130	110	4,000	2,250	—
16	Automatic Exchange, Gozo ...	5,963 (h)	4,000	1,963	—	—	—
	TOTALS	767,031	131,239	247,427	177,649	151,946	58,770

(a) Available from 1959/64 Plan.
(b) Of which £1,509 available from 1959/64 Plan.
(c) Of which £12,150 available from 1959/64 Plan.
(d) Of which £4,350 available from 1959/64 Plan.
(e) Of which £3,139 available from 1959/64 Plan.
(f) Of which £94 available from 1959/64 Plan.
(g) Of which £2,110 available from 1959/64 Plan.
(h) Of which £3,700 available from 1959/64 Plan.
(i) Total cost of project — £320,000.

ROADS

Total Allocation — £2,660,072

An efficient system of communication has to be built up concurrently with the progressive development of the economy. A good road network which links the agricultural, industrial and commercial areas to the port area is complementary to any provision for industrial development. From a tourist development point of view, a system of easy access to the historic and picturesque places and to the sandy beaches is a pre-requisite to the success of the Plan. Traffic considerations, on the other hand, require that those roads which are unable to take the ever-increasing volume of traffic be improved and, where indicated, alternative roads be constructed. Certain dangerous corners have also to be eliminated to reduce the incidence of traffic accidents. The programme to be undertaken under this Plan provides for all these aspects of road development. Priority will be given, however, to those projects which will contribute most to the industrial, agricultural and touristic drive.

2. Considerable industrial, hotel and other building development is taking place within a mile of the perimeter in the Msida/Sliema area. It is advisable therefore to complete as earlyas possible Phase I of the Sliema Regional Road provided for in the 1959/64 Plan. This section of the road will provide an efficient means of access to the newly developing Industrial Estate and Housing Community at Msierah and will link up with Savoy Hill and the intermediate built-up areas in Msida and Gżira. Provision is also being made for Phase II of the scheme, linking the road under construction to St. Andrew's, the new villa development at the Gardens, St. Julian's and to the Hotel Development at Spinola, Dragunara and St. George's Bay.

3. Transport for the Port area and for the Industrial Estate to the central part of the Island passes through the intersection of Marsa Cross Road and National Road, Blata l-Bajda, one of the main arterial traffic points in Malta. Traffic jams very often slow down considerably the flow of transport with serious consequences to industry. A scheme for the construction of a "fly-over", which will enable traffic to go unhindered at all hours, is provided for in this Plan.

4. Transport conditions in towns and villages will be improved by replanning those points which present danger both to traffic and to pedestrians, especially in those areas which are affected either by industrial or tourist development. A programme will be worked out based on priorities to be established following traffic surveys.

5. Hotel development on a large scale is expected to take place in the Mellieħa Bay area. Mellieħa Bay is the largest of the sandy beaches in these Islands and is very popular with tourists and residents. Steps are being taken to proceed with the construction of a new road, planned some time back, having as its aim, the extension of the existing beach and the by-passing of dangerous bends on the present road.

6. Another phase of the scheme for the surfacing of roads with bitmac will be undertaken, priority being given to roads leading to areas affected by development projects.

7. Provision has been made in the Plan for certain preliminary works in connection with a road to by-pass Ħamrun. This arterial road when completed will link the Msida/Sliema residential area directly with the Harbour and Industrial areas and the south eastern part of the Island. It will relieve a number of traffic-congested streets of a considerable amount of traffic.

8. An allocation is also being made for the implementation of part of Phase I of the Panoramic Road on the south west coast of the Island. This is primarily intended to be a tourist road linking places of attraction and of historic interest such as Mnajdra, Wied-iż-Żurrieq, etc. It would encourage the setting up of catering establishments on this part of the Island. The road would eventually link up with Tarxien and Birżebbuġa Roads to the east, and with other major roads to the west, and, together, these would form a coast road circling almost the whole island. The second and remaining phases of this major project will not be taken in hand before the Tourist Master Plan, which is to be prepared by an expert of the United Nations, will be available.

9. Funds are also being provided for a programme of road works in Gozo. The programme will be worked out in such a way as to fit the agricultural, industrial and tourist development of the Island.

DETAILS OF SCHEMES

Item 1. *Sliema Regional Road* £400,850

In the first Development Plan, a sum of £285,000 was provided to meet the cost of Phase I of the Sliema Regional Road. Due to difficulties encountered in the eviction of tenants occupying houses affected by the new road, progress was not as rapid as anticipated, and an amount of £6,105 remained unexpended at the end of the Plan period. This sum is included under this item in the present Plan. The estimated cost of the road, when completed, has now been revised to about £650,000. The provision of £400.850 includes the cost of the second phase of the project. When this phase is completed, the road will stretch from Msida to St. Andrew's, a distance of 10,700 feet.

Item 2. *Blata l-Bajda Flyover* £94,950

The Blata l-Bajda intersection is the second busiest intersection in Malta. Some 2,700 motor vehicles pass through this area at peak hours and about 35,000 vehicles in every 24 hours. There are frequent traffic jams at this intersection which is the nodal point for traffic to the Harbour, Dockyard, Industrial Areas and to the Civil Airport.

The scheme comprises the construction of a bridge carrying Ħamrun-bound traffic over traffic originating from the Harbour area and the Marsa Industrial Estate.

Item 3. *Ħamrun By-pass (Phase I)* £120,000

This road will link the Sliema region directly with the Harbour and Industrial Area and the South-Eastern part of the Island. The project envisages a new road which will start from the Tax-Xriereb roundabout on the Sliema Regional Road, across Msida Valley by means of a bridge, pass underneath Ħamrun High Street and join the Harbour By-pass at the Marsa Cross roundabout. Only the first phase of the project will be carried out by March 1969. The whole scheme is estimated to cost £337,000.

Item 4. *Ghadira Road* £168,800

Works were taken in hand in 1957 on the construction of a new road at Mellieħa Bay but were suspended in 1958 pending a fresh study on the development possibilities of the area. As already stated, Mellieħa Bay is the largest sandy beach in the Island. The west side of the bay is particularly suitable for hotel and villa development. Unfortunately the existing road cuts the sandy area of the beach in two. The erection of the road further inland would release a substantial area of sandy beach for bathers. A revised road project has been prepared with the object of allowing a wider beach for bathers and beach concessions, and or by-passing the dangerous bends in certain sections of the present road.

Item 5. *Improving Kingsgate access* £52,625

The provision will cover the cost of completing the scheme for improving Kingsgate access. This forms part of the reconstruction scheme for the whole area which was extensively damaged by enemy action during the last war. The amount is a "carry-over" from 1959/64 Plan.

Item 6. *Improvements to traffic roads* £111,000

Item 7. *Sundry minor improvements* £168,250

Item 8. *Traffic improvements* £79,125

The new industries, with their heavy transport vehicles, and tourism have accentuated the need of improving the road system at many points in order to make it suitable to cope with the speed and volume of motor vehicles. There are now about 23,000 motor vehicles on the road and their number has been increasing. It is therefore essential not only to continue the programme of road improvements started some years ago but to intensify this programme in the next five years. The above provisions are meant to cover the cost of carrying out major and minor improvements to traffic roads and the provision of traffic signs, traffic lights, carriageway markings and pedestrian shelters. The programme of works will be worked out on the basis of priorities following traffic surveys.

Item 9. *Planting of roadside trees* **£21,100**

Due to the relatively limited water supply and the number of barren rock sites, Malta cannot boast of afforested areas. A scheme for afforestation had to be spread over a number of years in order not to aggravate further the water problem. As an interim arrangement, an extensive programme of planting roadside trees has been taken in hand and a further allocation for this purpose is being made.

Item 10. *Replanning of urban areas* **£271,000**

In certain urban areas, the road system is made up largely of narrow and tortuous tracks suitable only for horse-driven transport and therefore a danger to both traffic and pedestrians. Certain areas, particularly those leading to the centre of villages, are being replanned in order to provide a system of roads suitable for present-day means of transport. A programme of works will be worked out based on priorities to be established after apposite traffic surveys.

Item 11. *Improving roads at Naxxar* **£1,522**

The village of Naxxar had a system of particularly narrow and tortuous roads. A replanning scheme was taken in hand in the preceding Plan period. The amount which is being provided is a "carry-over" from the last Plan.

Item 12. *B'Kara By-Pass (acquisition).* **£21,100**

B'Kara, which is in the centre of the Island, takes high traffic flows along its inadequately built-up streets. A considerable proportion of the flow is through traffic and there is therefore the need to construct a bypass linking the Mosta Road directly to Msida Valley Road and the proposed Hamrun Bypass, this relieving Naxxar Road, Valley Road, Mannarino Road and Fleur-de-Lys Road, B'Kara which are necessarily subject to traffic congestion and traffic accidents. Due however to other projects with a higher priority the provision for this road in the Plan had to be limited to acquisition of the land required for the new road. Provision is being taken accordingly.

Item 13. *Outstanding acquisitions* **£68,330**

The provision covers the cost of acquisition of land required for various road works undertaken in 1959/64.

Item 14. *Purchase of plant and machinery* **£57,750**

It is not possible to undertake the relatively heavy programme of road works provided in the Plan without purchasing modern plant and machinery normally used for road works. The allocation is earmarked for the purchase of machinery required for such works.

Item 15. *Xemxija Road (Phase II)* £30,298

This provision is meant to cover the cost of completing works on Xemxija Road, St Paul's Bay. This amount is a "carry-over" from the 1959/64 Plan.

Item 16. *Resurfacing roads* £590,800

This is the usual block provision for the asphalting of water-bound macadam and earth roads, and the mechanical resurfacing of asphalted main roads in Malta in accordance with a pre-arranged programme of priorities.

Item 17. *Widening Ghajn Tuffieha/St Paul's Bay Road* £40,000

The provision is meant to cover the cost of widening Ghajn Tuffieha/St Paul's Bay Road. This amount is a "carry-over" from the 1959/64 Plan.

Item 18. *Panoramic Road (Phase I)* £120,000

This will be a tourist road, along the south-west coast of the Island, where the best scenery in Malta is to be found. Links will be provided to places of attraction and of historic interest such as Mnajdra, Wied iż-Żurrieq, etc. Only Phase I will be taken in hand during the Plan period. This involves the linking of existing roads to be eventually incorporated in the proposed new road. The total cost of the project is £295,400.

Item 19. *Roads (Gozo)* £211,000

What has been said on the state of roads in Malta applies with greater force to the roads of Gozo. For the last ten years, an allocation for a systematic improvement of the Gozo road network has been included in the capital investment programme. This system will be followed in the current Plan. Provision is made to cover the cost of a further programme of road works in Gozo. The programme will be worked out to priorities which will accord with the aims of the development of the Sister Island.

Item 20. *Purchase of concrete testing machine* £244

Item 21. *Quarries Street, Sta Vennera* £172

Item 22. *Islets Promenade, St Paul's Bay* £148

Item 23. *St Mary's Street, Tarxien* £2,008

These provisions are available from the 1959/64 Plan.

Item 24. *Improving approaches to Birkirkara Parish Church* £29,000

Provision is being made for the continuation of the scheme of acquisition of property in the vicinity of Birkirkara Parish Church in anticipation of the opening of a link with the projected Birkirkara by-pass.

ROADS

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Sliema Regional Road	400,850 (a)	41,000	126,600	92,750	70,500	70,000
2	Blata l-Bajda Flyover	94,950	13,000	39,750	42,200	—	—
3	Hamrun By-pass	120,000 (b)	10,000	30,000	20,000	30,000	30,000
4	Ghadira Road	168,800	—	—	21,100	63,300	84,400
5	Improving Kingsgate access ...	52,625 (c)	46,000	6,625	—	—	—
6	Improvements to traffic roads ...	111,000	11,000	25,000	25,000	25,000	25,000
7	Sundry minor improvements ...	168,250 (d)	41,650	31,650	31,650	31,650	31,650
8	Traffic improvements	79,125	15,825	15,825	15,825	15,825	15,825
9	Planting roadside trees	21,100	4,220	4,220	4,220	4,220	4,220
10	Replanning of urban areas	271,000 (e)	72,000	63,300	42,200	63,300	30,200
11	Improving roads at Naxxar ...	1,522 (c)	1,522	—	—	—	—
12	B'Kara by-pass (acquisition) ...	21,100	—	5,275	15,825	—	—
13	Outstanding acquisitions	68,330 (f)	9,000	15,825	13,550	15,825	14,130
14	Purchase of plant and machinery ...	57,750 (g)	3,000	52,750	2,000	—	—
15	Xemxija Road (Phase II)	30,298 (h)	30,298	—	—	—	—
16	Resurfacing of roads	590,300 (i)	105,500	105,500	126,600	126,600	126,600
17	Widening Ghajn Tuffieha/St. Paul's Bay Road	40,000 (j)	40,000	—	—	—	—
18	Panoramic Road (Phase I)	120,000 (k)	—	40,000	40,000	30,000	10,000
19	Roads (Gozo)	211,000 (l)	56,300	52,750	42,200	31,650	28,100
20	Purchase of a concrete testing machine	244 (c)	244	—	—	—	—
21	Quarries Street, Sta. Venera ...	172 (c)	172	—	—	—	—
22	Islets Promenade, St. Paul's Bay ...	148 (c)	148	—	—	—	—
23	St. Mary Street, Tarxien	2,008 (c)	2,008	—	—	—	—
24	Improving approaches to B'Kara Parish Church	29,000 (m)	7,007	4,993	5,000	12,000	—
	TOTALS	2,660,072	509,894	620,063	540,120	519,870	470,125

(a) Of which £6,105 available from 1959/64 Plan.
(b) Total cost of project £337,000.
(c) Available from 1959/64 Plan.
(d) Of which £15,057 available from 1959/64 Plan.
(e) Of which £45,773 available from 1959/64 Plan.
(f) Of which £ 3,446 available from 1959/64 Plan.
(g) Of which £ 6,745 available from 1959/64 Plan.
(h) Of which £298 available from and £30,000 carried forward from 1959/64 Plan.
(i) Of which £5,395 available from 1959/64 Plan.
(j) Carried forward from 1959/64 Plan.
(k) Total cost of project — £295,400.
(l) Of which £23,402 available from 1959/64 Plan.
(m) Of which £7,007 available from 1959/64 Plan.

WATER DEVELOPMENT

Total Allocation — £2,171,590

One of the serious drawbacks for the expansion on a large scale of the industrial and agricultural sectors is the limited water supply. The problem has been thoroughly studied by a firm of consultants of international repute, who expressed themselves in favour of water distillation. The first phase of a water distillation project aimed to produce 1 million gallons a day, was provided for in the 1959/64 Development Plan. Funds for the second phase of the scheme are included in this Plan.

2. With the present overall daily consumption of 8.2 million gallons in Malta and 0.4 million gallons in Gozo, the limit of underground extraction compatible with an accepted degree of salinity has been reached. It is anticipated that water consumption will continue to rise with the improvement of living standards and the expansion of industry, tourism and agriculture.

3. As any further extraction from underground sources will affect adversely the already high level of salinity, and since the development of untapped sources in the Upper Water Table was found, after proper investigation, to be uneconomic, it was decided that further potable water supplies should be produced by a sea water distillation plant combined with the new Power Station. Provision has been made for the installation of two additional distillers of 1 million gallons capacity each.

4. The following table shows the figures of past water yields and expected future yields to be brought about by works included in the Development Plan:—

Year	*Annual Yield (Malta and Gozo) m. gallons*	*Per Head and Population per day*
1960/61	**3,110**	**25.8**
1961/62	**3,110**	**25.8**
1962/63	**3,173**	**26.3**
1963/64	**3,233**	**26.8**
1968/69	**4,232**	**35.1**

5. Provision is being made for the reconstruction of Ta' Qali Reservior which has a storage capacity of 20 million gallons. This will bring the total storage capacity in Malta and Gozo to 96 million gallons. It is not proposed to construct other reservoirs but a study will be made on the economic possibility of using underground configuration for storage purposes. A firm of consultants has been engaged to study water development potentialities in Gozo and the technical feasibility of using Ghajnsielem Trough for storage purposes.

6. The Development Plan also provides for the continuation of extensions and renewal of service mains to cope with the increased demand for water services. Provision is also made for the improvement and redistribution of supplies and for the purchase of plant and equipment for the implementation of the various schemes included in the Plan.

DETAILS OF SCHEMES

Item 1.	*Renewal of mains — Malta*	£263,750
Item 2.	*Renewal of mains — Gozo*	£79,125

Renewal is undertaken to stop water leakages, some of them caused by bomb blast during the last World War. In certain areas renewals are made to increase the carrying capacity of mains which are of too small a bore to meet current demand adequately. With the amount being provided it is estimated that some 350 million gallons will be saved annually.

Item 3.	*Provision of water meters*	£63,000

An annual allocation of £12,660 is being made in order to meter some 4,000 new services each year and to replace another 4,000 meters which deteriorate beyond economical repair every year. In addition a small number of "master" meters will be purchased for regional metering of the distribution network in order to control consumption, water leakage and misuse.

Item 4.	*Improvement and redistribution of supplies*	£142,222

This scheme is meant to improve both the supply and the distribution of water by installing booster stations and constructing elevated tanks to improve water provision in certain areas. Distribution improvements will be introduced when the water supply is inadequate or expected to become so because of increased demand due to building expansion in particular areas. No priorities are being established beforehand as experience has shown that they are generally upset due to new and unexpected developments mostly of an industrial and touristic character.

Item 5.	*Hydrological research*	£31,650

This is essentially a research scheme and covers the drilling of boreholes and the collection of data for the compilation of hydrological statistics on which water resources planning is based. The programme of research undertaken under this scheme, apart from providing the means for keeping up to date a statistical series, would enable an assessment to be made of the water resources available, so as to establish whether such resources are being exploited to the fullest extent.

Item 6.	*Development of water supply — Gozo*	£316,500

A firm of consultants has been engaged to study the water development potentialities in Gozo and the technical feasibility of using Ghajnsielem Trough for storage purposes. The provision is intended to cover the works which are expected to be required in the area.

Item 7. *Extending service mains — Malta* £89,675

Item 8. *Extending service mains — Gozo* £21,100

There are various localities in these Islands which are not yet served with a regular water distribution system. For financial considerations the scheme for the supply of water service to all areas had to be phased over a number of years. Funds for the extension of water mains are therefore a regular feature of each plan. The water service is extended at Government expense when a reasonable number of prospective consumers require to be served. However, in areas inhabited by the poorer classes, where the number of prospective consumers would not normally be sufficient to qualify for a free water main extension, service mains are also laid at Government expense on social grounds.

Item 9. *Reconstruction of Ta' Qali Reservoir* £68,575

This provision is intended for repairs to Ta' Qali Reservior part of which had collapsed in 1959 when being repaired because of war damage.

Item 10. *Enlarging Hamrun District Office* £1,577

It is intended to erect another storey on the existing Water District Office at Hamrun which has long been inadequate for its purpose.

Item 11. *Office and store, Gozo* £3,374

This provision is meant to complete construction works for an office and store for the Gozo Water Branch. This amount is a "carry-over" from the 1959/64 Plan.

Item 12. *Provision of Plant and Equipment* £34.815

Additional plant and equipment are required to carry out efficiently the various schemes included in the Plan. The items of plant and equipment include a bowser and trailer, a boring rig, 5/6 ton crane, additional transport units and chlorinating equipment.

Item 13. *Installation of two distillation units* £993,000

This is the second phase of the Power/Water Distillation project. Provision is made for the purchase and installation of two distillation units of 1 million gallons each at the new Power/Water Station which will be combined with two boilers (provided for under the Chapter on Electricity — Item 12) to produce additional water supplies in order to meet anticipated future demand by domestic and industrial consumers. Total cost of this project is £1.055.000 but it is anticipated that amounts which will come up for payment up to March 1969 will not exceed £993,000.

Item 14. *Development of Ta' Bakkja and Ta' l-Isperanza* £4.569

Item 15. *Development of the Upper Coralline Areas* £10,000

Item 16. *Exploitation of Binġemma, Falka ta' Ta' Żerp* £48,358

The provisions are available from the 1959/64 Plan. They are meant to cover payments due to contractors for works carried out.

WATER

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Renewal of mains (Malta)	263,750 (a)	52,750	52,750	52,750	52,750	52,750
2	Renewal of mains (Gozo)	79,125 (b)	15,825	15,825	15,825	15,825	15,825
3	Provision of water meters	63,300 (c)	18,660	9,660	9,660	12,660	12,660
4	Improvement and redistribution of supplies	142,222 (d)	37,520	31,650	21,100	21,100	30,852
5	Hydrological research	31,650 (e)	6,330	6,330	6,330	6,330	6,330
6	Development of water supply, Gozo	316,500	158,250	158,250	—	—	—
7	Extending service mains (Malta) ...	89,675 (f)	21,100	21,100	15,825	15,825	15,825
8	Extending service mains (Gozo) ...	21,100 (g)	4,220	4,220	4,220	4,220	4,220
9	Reconstruction of Ta' Qali Reservoir	68,575	34,815	33,760	—	—	—
10	Enlarging Hamrun District Office ...	1,577	1,577	—	—	—	—
11	Office and store, Gozo	3,374 (h)	3,374	—	—	—	—
12	Provision of plant and equipment...	34,815	21,100	13,715	—	—	—
13	Installation of two distillation units...	993,000 (i)	—	181,000	442,750	158,250	211,000
14	Development of Ta' Bakkia and Ta' l-Isperanza	4,569 (h)	4,569	—	—	—	—
15	Development of the upper coralline areas	10,000 (h)	10,000	—	—	—	—
16	Exploitation of Bingemma, Falka and ta' Zerp	48,358 (h)	48,358	—	—	—	—
	TOTALS	2,171,590	438,448	528,260	568,460	286,960	349,462

(a) Of which £10,822 available from 1959/64 Plan.
(b) Of which £ 2,138 available from 1959/64 Plan.
(c) Of which £22,241 available from 1959/64 Plan.
(d) Of which £15,622 available from 1959/64 Plan.
(e) Of which £ 2,835 available from 1959/64 Plan.
(f) Of which £ 5,668 available from 1959/64 Plan.
(g) Of which £1,761 available from 1959/64 Plan.
(h) Available under 1959/64 Plan.
(i) Total cost of project — £1,055,000.

PORT DEVELOPMENT

Total Allocation — £2,234,833

The port facilities provided during the first Five Year Plan (the deep water quay, transit sheds and grain silo together with the mechanical handling equipment) are considered adequate for present needs. However, additional facilities are required by way of improvement of organizational efficiency and the rehabilitation of existing berths. The new deep water quay is not primarily designed to handle the smaller type of "coaster" ship engaged in the Mediterranean short sea trade. These ships will have to continue to berth at the small and shallower wharves in the S.W. extension of the Grand Harbour. The existing facilities in these wharves are very limited indeed. To ensure a speedier turn out of ships, it is planned to improve and rehabilitate berths at the Coal Wharf, Jetties Wharf and Bonded Stores Wharf.

2. The passenger terminal facilities planned under the first Five Year Plan are far from adequate and have to be supplemented by a passenger berth. This will be effected by extending the deep water quay at its northern end. Other facilities will be provided such as a spacious baggage room with counter and a lounge for passengers and visitors. The berth will also be used as a car ferry terminal, an essential requirement from the tourist development standpoint. Adequate space will be provided for the parking of vehicles.

3. Provision is also being made for the first phase of a project for the construction of a Free Port in accordance wth the advice given by a United Nations Trade Policy Adviser. One of the advantages of a Free Port is that there would be a free movement of goods without customs restrictions and other controls. As this system reduces generally production costs the establishment of such a port would be a further incentive to industrialists to invest their capital in Malta and might also bring back to these Islands entrepot trade.

4. Pinto Bonded Stores and Forni Stores are in a serious condition owing to considerable damage sustained during the war. The stores are to be reconstructed and provided with all modern facilities.

DETAILS OF SCHEMES

Item 1.	*Extension of Grand Harbour*	£204,420

The following works are required to improve and rehabilitate berths in the various sections of the Grand Harbour used mainly by the smaller types of vessels. They will provide some 11,800 feet of quay with 20 feet of water alongside and 36,000 sq. ft. of working quay space.

(a) Realignment of the quay at Coal Wharf;
(b) Extension of the two jetties at Jetties Wharf;
(c) Extension and realignment of part of Bonded Stores Wharf;
(d) Dredging works in these areas;
(e) Widening and improving roads at Shipwrights Wharf.

Item 2. *Repairs to Wharf Wall* £3,866

This provision is a "carry-over" from the 1959/64 Plan

Item 3. *Car Ferry Berth and Passenger Terminal* £251,600

The scheme covers the provision of a quay adjacent to the deep water quay to be used as a car ferry berth and a terminal with all facilities such as a spacious baggage room, a lounge for passengers and visitors, postal, cable, banking, shipping and hotel booking services.

Parking space for vehicles will be provided together with "drive-in/drive-out" facilities.

Item 4. *Paving of Bonded Stores* £6,400

Provision is made for the paving of trenched bonded stores to keep the place clear and to expedite the handling of goods.

Item 5. *Port Office* £32,847

This provision is meant to cover the cost of erecting office accommodation for the Port Manager and his staff. Funds for this work are carried over from the 1959/64 Plan.

Item 6. *Land acquisition and compensation* £14,191

This provision is a "carry-over" from the 1959/64 Plan and is meant to cover cost of outstanding acquisitions and compensation in connection with property taken over for the development of the Port.

Item 7. *Re-instatement of Pinto Bonded Stores* £190,000

These buildings were severely damaged during the last war and it is now advisable to reconstruct the stores with all modern facilities thus increasing storage space in the harbour.

Item 8. *Free Port* £1,500,000

This is a tentative provision meant to cover the cost of the first phase of a project for a Free Port in accordance with the advice of a United Nations Trade Policy Adviser.

Malta in the eighteenth century earned its foreign exchange mainly as a distributing point for commercial goods. This function ceased when these Islands assumed the role of a major defence base. In the process of diversifying the economy a serious attempt should be made to revive the international trading functions which these Islands exercised successfully in the past. Malta is ideally situated to act as distributing point for goods destined for the developing countries mainly in North Africa and the Middle East. One of the most efficient means of repristinating this function is by converting one of the harbours of Malta into a limited free port area. The presence of a free port in the country would also act as a fillip for the industrialization drive. The functions of the free port would not be restricted to the importation and exportation of goods, permitting only the repacking, sorting, etc., of the imported products but enhanced in a way which would encourage further processing and even outright production. Although a detailed plan of the scheme has not yet been worked out it is tentatively estimated that a sum of £2.5 million will be required to cover the provision of a breakwater, the construction of a landing quay, a limited number of verandahs and the provision of the minimum plant and equipment needed to provide efficient service. As it is not anticipated that it will be possible to carry out all these works during the currency of this Plan, the provision has been limited to £1.5 million representing tentatively the cost of part of the breakwater and a section of the quay.

Item 9.	*Improvements to approach roads*	£21,948

This provision is meant to cover the cost of works necessary to complete the scheme of providing approach roads to the Harbour area included in the preceding Development Plan.

Item 10.	*Deepwater quays*	£560
Item 11.	*Demolition of buildings*	£931
Item 12.	*Battery charging depot*	£935
Item 13.	*Consultants' fees*	£500
Item 14.	*Water services*	£1,168
Item 15.	*Lighting installation*	£2,284
Item 16.	*Transit sheds*	£224
Item 17.	*Harbours by-pass*	£876
Item 18.	*Telephone installations*	£2,083

These provisions are "carry-overs" from the 1959/64 Plan and are meant to cover the cost of completion of these schemes.

PORT DEVELOPMENT

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	S.W. extension of Grand Harbour...	204,420	—	66,300	66,300	71,820	—
2	Repairs to wharf wall	3,866 (a)	3,866	—	—	—	—
3	Passenger terminal and car ferry berth	251,600 (b)	16,276	103,000	22,100	40,000	70,224
4	Paving of Bonded Stores	6,400	6,000	400	—	—	—
5	Port Office	32,847 (a)	32,847	—	—	—	—
6	Land acquisition and compensation	14,181	14,191	—	—	—	—
7	Reinstatement of Pinto Stores ...	190,000	—	10,000	40,000	80,000	60,000
8	Free Port (First Phase)	1,500,000	4,000	36,000	90,000	350,000	1,020,000
9	Improvement to approach roads ...	21,948 (c)	21,948	—	—	—	—
10	Deep water quays	560 (a)	560	—	—	—	—
11	Demolition of buildings	931 (a)	931	—	—	—	—
12	Battery charging depot	935 (a)	935	—	—	—	—
13	Consultants' fees	500 (a)	500	—	—	—	—
14	Water services...	1,168 (a)	1,168	—	—	—	—
15	Lighting installation	2,284 (a)	2,284	—	—	—	—
16	Transit Sheds	224 (a)	224	—	—	—	—
17	Harbour by-pass	876 (a)	876	—	—	—	—
18	Telephone installations	2,083 (a)	2,083	—	—	—	—
	TOTALS	2,234,833	108,689	215,700	218,400	541,820	1,150,224

(a) Available from 1959/64 Plan.
(b) Of which £19,276 was available from 1959/64 Plan.
(c) Of which £848 was available from 1959/64 Plan.

ELECTRICITY

Total Allocation — £5,319,120

With the increase in the generating capacity brought about by the commissioning of the underground Power Station at Marsa in 1953 and the better distribution facilities resulting from the reconstruction of the electrical distribution system, the Water and Electricity Department was in a position to meet the demand existing at the time, to provide for a seasonal expansion and to supply a more reliable service. The demand for electrical energy rose however beyond expectations as a result of the improvement in the standard of living which followed the last war and the available generating capacity proved insufficient to give service to all applicants. To cope with the situation additional generating capacity consisting of two 5 M.W. turbo alternator sets was installed and commissioned in 1960. This raised the installed generating capacity from 15 to 25 M.W. and the firm capacity from 10 to 20 M.W.

2. The position had to be reviewed in the course of preparation of the 1959/64 Plan as adequate provision had to be made for the supply of this basic service to the new industries and hotels projected for in the Plan. The problem was studied jointly by the Water and Electricity Department and the Consulting Engineers, Messrs Preece, Cardew and Rider, and two possible solutions were suggested: (a) a second extension to the existing Power Station; (b) the building of a completely new Power Station designed for further expansion. The scales were in favour of the setting up of a new station which had substantial benefits from the long term planning viewpoint.

3. Following the negative results of an investigation into the possibilities of obtaining further supplies of water from underground sources at reasonable cost, opportunity was taken to combine with the new Power Station, a scheme for the conversion of sea water into distilled water, by utilising the excess steam of the Provision for a Power Station/Water Distillation project was made in the Reviewed by means of extraction from natural sources which are very limited in volume. Provision for a Power Station/Water Distillation project was made in the Reviewed 1959/64 Plan but, as the project estimated to cost £3.7m. could not be completed within the Plan period, the unexpended balance of the allocation for this major scheme is included in the present Plan even though the execution of the project is now the responsibility of the newly constituted public corporation under the title of the Malta Electricity Board.

4. The Plan also contemplates the remodelling and the extension of the street lighting system, essential if Malta is to become a tourist centre. Provision is also made for the installation of two further boilers at the new Power Station which will be combined with two distillers of 1,000,000 gallons each under the Water Chapter (Item 13) to produce further water supplies to meet anticipated future demand by the domestic consumer and particularly by the industrial concerns, hotel establishments and the horticultural development.

DETAILS OF SCHEMES

Item 1.	*New Power/Water Station*	£3,435,273

This provision represents the unspent balance of the allocation of £3.7m. for the erection of the first phase of the new Power/Water Distillation project. Of the total cost of the project, works costing £3,435,273 fall to be carried out during the current Plan period. The offshore procurement element of the project is being financed by a loan from the International Bank for Reconstruction and Development and the rest of the work from a loan by Government to the Malta Electricity Board, supplemented by direct expenditure by the Malta Electricity Board.

Item 2.	*Extension of supplies to various localities*	£326,500

The extension of the electricity mains is rendered necessary as private building areas expand and more industrial and commercial undertakings are set up. This provision is intended to finance those extensions in outlying areas, which although not economical in themselves, have to be carried out on social grounds. Other extensions will be carried out by the Malta Electricity Board out of their own resources.

Item 3.	*Extension of street lighting system (Malta and Gozo)*	£97,600

Adequate street lighting is essential both from the point of view of present day traffic considerations as well as from the tourism aspect. In addition to providing proper lighting arrangements in existing streets and roads which are still not provided with light or are poorly lit, it is anticipated that there will be a steady increase in the number of new streets in developing areas which will have to be provided with adequate lighting facilities.

Item 4.	*Remodelling of street lighting system (Malta and Gozo)*	£76,500

The scheme consists in modernizing the street lighting installations, providing better and higher illumination on the roads and at the same time economising on the power consumption by using discharge lighting instead of the orthodox type of incandescent lighting. £63,300 will cover works in Malta and £13,200 is earmarked for Gozo.

Item 12.	*Installation of two boilers for the new distillers*	£379,800

The project contemplates the purchase and installation of two boilers at the new Power Station required in connection with the provision of the two other distillers (to be provided for under the Water Head — Item 13) which are expected to increase the supply of distilled water from 1 million gallons to 3 million gallons a day. When this additional supply is available it will be possible to meet the greater part of the projected demand by the domestic and industrial consumers and make allowance for a limited supply of water for irrigation purposes.

Item 13.	*Reconstruction of the electrical distribution system*	£6,951
Item 14.	*Extension of H.T. mains to Tal-Virtù*	£2,491

These provisions are available from the 1959/64 Plan.

In addition to the investment projects described above which are expected to be financed by loan moneys, the following development works are programmed for financing from the revenues accruing to the Malta Electricity Board.

Item 5.	*Additional switch gear*	£110,000
Item 6.	*Reinforcement and expansion of feeders*	£91,000
Item 7.	*Replacement of L.T. overhead lines*	£287,500
Item 8.	*Provision of electricity meters*	£83,000
Item 9.	*Construction of a 33 KV System*	£155,000
Item 10.	*Deviation of E.H.T. lines*	£37,500
Item 11.	*Purchase and installation of a gas turbine*	£230,000

These schemes are required to meet normal expansion.

ELECTRICITY

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	New Power/Water Station	3,435,273 (a)	1,773,756	1,102,833	315,684	243,000	—
2	Extension of supplies to various localities	326,500 (b)	73,300	63,300	63,300	63,300	63,300
3	Extension of street lighting system	97,600 (c)	19,520	19,520	19,520	19,520	19,520
4	Remodelling of street lighting system	76,500 (d)	15,300	15,300	15,300	15,300	15,300
5	Additional switch gear	110,000	48,000	40,000	15,000	7,000	—
6	Reinforcement and expansion of feeders	91,000	20,000	32,000	13,000	13,000	13,000
7	Replacement of L.T. overhead lines	287,500	23,000	57,500	57,500	57,500	92,000
8	Provision of electricity meters ...	83,000	10,000	16,600	16,600	23,200	16,600
9	Construction of a 33kv system ...	155,000	—	—	55,000	60,000	40,000
10	Deviation of E.H.T. lines	37,500	15,442	7,500	7,500	7,058	—
11	Purchase and installation of gas turbine	230,000	66,000	164,000	—	—	—
12	Installation of two boilers for new distillation units	379,800	—	—	137,150	189,900	52,750
13	Reconstruction of the electrical distribution system	6,951 (a)	6,951	—	—	—	—
14	Extension of H.T. mains to Tal-Virtù	2,496 (a)	2,496	—	—	—	—
	TOTALS	5,319,120	2,073,765	1,518,553	715,554	698,778	312,470

(a) Of which £3,024,173 available from 1959/64 Plan. £411,100 to be made available from Malta Electricity Board Revenues).

(b) Of which £11,541 available from 1959/64 Plan.

(c) Of which £5,002 available from 1959/64 Plan.

(d) Of which £1,011 available from 1959/64 Plan.

(e) Available from 1959/64 Plan.

INDUSTRIAL DEVELOPMENT

Total Allocation — £5,944,000

In the preceding Development Plan, the first steps were taken to attract industrial investment to these Islands. The Plan provided for two main direct inducements to potential industrialists willing to sink their capital in Malta, i.e. the provision of capital grants and, where necessary, loans, and of cheap serviced sites and factories at a subsidized rental. Considering that in the case of Malta the only definite advantage which could be offered to industrialists was an abundant labour force, direct aid was considered necessary to attract industry to Malta. This policy paid good dividends as, after taking into account approved schemes, applications for aid which have reached an advanced stage, and others which are expected to be eventually approved, an overall capital investment of the order of £11.5 m. (Government and private) would have been sunk in these Islands by the end of that Plan period This investment has a potential constant direct employment of 6,050 and a production potential of £8.25m. mostly for export. During the second quinquennium of this diversification exercise, the same policy will be broadly followed, although certain selective measures might have to be introduced.

2. The assistance offered, in addition to capital grants and loans, included income tax "holiday" and customs duties easements. The administration of these grants is the responsibility of the Department of Trade and Industry assisted by the Aids to Industries Board and the London Industrial Development Board. Consideration is being given to transfer certain functions of these Boards to a Development Corporation.

3. An intensive publicity campaign was carried out in the United Kingdom, Germany and elsewhere. Very useful personal contacts have also been established with foreign Governments and individual industrialists. As a result of this drive, the Aids to Industries scheme has gathered momentum and this augurs well for the future.

4. A fully serviced industrial estate at Marsa was completed during the last Plan whilst several factories in other localities were built and let to industrialists at subsidized rents. In all, 17 factories were constructed during the last quinquennium. The extension of essential services to some factories built by private investors outside the industrial estate was also carried out at Government expense.

5. An allocation of nearly £6 million has been made in this Plan to intensify the process of industrial development. This amount is expected to be matched by an equivalent amount of private investment.

6. The emphasis has been laid on capital grants and loans intended for the purchase of machinery — £2.8m. — and the building of factories by industrialists—£1.6m. A provision of just under £1.1m. has also been made for the continuation of factory construction by the Government. It is also intended to keep up the publicity campaign and a sum of £144,000 is being made available for this purpose. Provision is also made for extending and improving approaches to established industrial estates and for improving traffic roads leading to industrial areas.

7. Assistance towards the construction of hotels, which had hitherto been provided under the Industrial Development Head, is now being made available under the allocation for Tourism.

DETAILS OF SCHEMES

Item 1. *Grants and loans for machinery* £2,790,000

Judging by the number of applications which are being analysed by the Department of Trade and Industry, in consultation with the Aids to Industries Board and the Industrial Development Board, there are good prospects for the allocation to be wholly absorbed during the Plan period. The provision includes £1,491,430 to cover commitments already entered into. In a scheme of this nature, it is inevitable that, during the last two years of the Plan, commitments will have to be entered into which will come up for payment during the subsequent Plan. Otherwise, continuity, which is a characteristic of development, will be prejudiced, and a hiatus in economic development will follow. The allocation of £2.8m. represents an estimate of the amounts which are expected to come up for payment during the Plan. No provision for such a forward commitment has been made in this Plan as funds for such commitments will be provided in the third Development Plan.

Item 2. *Grants and loans for factories* £1,614,000

Although the policy of constructing a limited number of factories in advance of requirements will be continued, and provision is being made accordingly in the following item, the construction of "tailored" factories will be given preference as such factories will, in the long run, allow for greater productivity. It is also the aim of this plan to make greater use of direct grants and loans for factory construction. This system will provide better employment opportunities in the building construction industry and will release Public Works employees for other works.

Item 3. *Factory construction* £1,096,000

This provision has been made mainly to continue with the present system of constructing factories in advance of requirements to meet the needs of those industrialists who do not wish to have their factory tailored to their requirements.

Item 4. *Publicity* £144,000

The publicity programme started during the last Plan will be intensified during the second Plan. Funds are being provided "ad hoc" in order that a comprehensive publicity scheme may be carried out.

Item 5. *Extension of, and approaches to, Industrial Estates* £250,000

Item 6. *Improvements to traffic roads* £50,000

Certain areas are being developed as industrial centres. These require small estates to be serviced by a network of roads in the estate proper and, in certain instances, in the immediate approaches to the industrial centre, either by constructing new approach roads or by widening and improving existing ones. A tentative provision of £300,000 is being taken to meet the cost of such roads.

INDUSTRIAL DEVELOPMENT

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Grants and loans for machinery ...	2,790,000 (a)	639,000	549,000	430,000	542,000	580,000
2	Grants and loans for factories ...	1,614,000	142,000	293,000	420,000	357,000	402,000
3	Factory construction	1,096,000 (b)	309,000	196,000	190,000	160,000	241,000
4	Publicity	144,000	29,000	29,000	29,000	29,000	28,000
5	Extension of and approaches to Industrial Estates	250,000	10,000	60,000	60,000	60,000	60,000
6	Improvements to traffic roads ...	50,000	5,000	15,000	10,000	10,000	10,000
	TOTALS	5,944,000	1,134,000	1,142,000	1,189,000	1,158,000	1,321,000

(a) Of which £513,024 available from 1959/64 Plan.

(b) Of which £263,154 available from 1959/64 Plan.

TOURISM

Total Allocation — £3,634,383

The expansion of the tourist industry is one of the three fields of development on which the diversification plan is based. The tourism development programme launched in 1959 is gathering momentum and there are definite indications that it is a sound investment. Gradually, the image of Malta as a tourist resort is being accepted in the Western Hemisphere. If Malta is to be put successfully and permanently on the tourist map, a substantial share of capital has to be sunk in this investment. Hotel accommodation has to be increased and the standard of existing hotels raised. A number of restaurants, cafes and other catering establishments have to be set up and improvements of some scale have to be carried out to those already established. Beaches have to be changed into "lidos", beach clubs and yacht marinas have to be set up. The island's scenic and historic attractions have to be exploited. It is not possible to complete such a major development within a period of five years. An integrated plan has to be worked out and the projects phased over a series of development plans.

2. In the first Development Plan, provision was made for the first phase of a programme of financial assistance for the construction of resort hotels to provide first class accommodation to tourists, for the improvement of existing hotels to cater for second class tourists, for the setting up of beach establishments and for the carrying out of improvements to major catering establishments. This policy will be pursued with vigour during the second Development Plan, when it will be integrated into a master plan for the development of the Island into a first class tourist resort. Two experts from the United Nations have been appointed to carry out a survey and draw up such a master plan. Provision is also made for the grant of assistance for the establishment of a sea passenger service to provide better means of access to the Islands. The programme of beach development works will be continued, and the Malta Tourist Board, which is the competent statutory authority responsible for tourist development, will intensify the campaign of publicity and tourist promotion. A scheme for the development of the Island into a Yachting Centre is already under way, based on a plan worked out by a United Nations expert. A pilot scheme for the establishment of a small Yacht Marina at Ta' Xbiex was started in the course of the last quinquennium, and provision is being made for its completion. This Marina will be integrated in the major scheme. The whole scheme contemplates the development of the entire Marsamxett Harbour as a Marina and has, of course, to be carried out in stages. Provision has, therefore, been made for the first phase of the project which will consist in the conversion of the whole of Ta' Xbiex, Msida and Lazzaretto Creeks into a Yacht Centre.

DETAILS OF SCHEMES

Item 1.	*Grants to new hotels*	£2,050,000

The expert advice available indicates that the tourist industry will not develop on sound economic lines unless hotel accommodation for at least 1,500 beds is available. The immediate problem is to attract to these Islands, with Government assistance, adequate financial interest to produce hotel accommodation of the resort type to the extent required. It is estimated that, with the provision made for grants to hoteliers, the Tourist Board could see through the plans now in hand for hotel buildings, thus creating 2,400 new jobs in the hotel business alone, with a potential for further employment.

Item 2.	*Loans to old hotels*	£100,000

A scheme has also been launched for assisting hoteliers to improve their present establishments. These hotels are not only essential to provide a stopgap until resort hotels are provided, but also to cater for the needs of second class tourists as an ultimate aim. The assistance will be given in the form of interest-free loans.

Item 3.	*Loans to beach establishments*	£50,000

One of the Island's basic attractions — and a very significant one — is sea bathing, which can be resorted to almost throughout the year. This has a great appeal to visitors hailing from the northern countries. The need is therefore felt for providing well-appointed establishments on beaches where tourists could enjoy the blueness of the sea and the golden sun, not only in summer, but also in winter. Beach establishments will be given financial assistance in the form of interest-free loans in respect of capital expenditure on projects to be approved by Government through the Government Tourist Board.

Item 4.	*Assistance to sea passenger service*	£33,000

Adequate and modern transportation facilities are a "sine qua non" for the expansion of the tourist industry in Malta. Funds are being provided for the grant of assistance towards the establishment of a rapid sea passenger service between Malta and the Mediterranean littoral, and particularly between Sicily and Malta. Such a service would be a great contribution to tourism as it would stimulate traffic from the Italian mainland and cater for multiple destination visitors who travel south to Sicilian resort areas.

Item 5.	*Assistance to major catering projects*	£18,750

One of the basic needs of the tourist industry is the availability of "service" establishments of a high standard for visitors. A scheme of assistance has been devised for the setting up of new catering establishments which would provide the desired amenities to tourists.

Item 6. *Establishment of a Yacht Centre* £250,000

Yachting is becoming a very popular sport all over the world but particularly in the Mediterranean where over 35,000 yachts of various nationalities seek berthing facilities, maintenance establishments and other services. Very few yachting centres in the Mediterranean area are as centrally situated as Malta and, less still, have the excellent natural harbours which the Island can offer. The establishment of a yachting centre in Malta, if properly developed, could greatly enhance the holiday atmosphere of the place, and make Malta more internationally known to potential tourists. Such facilities would channel to Malta international yachting events, thereby engendering publicity on a world-wide scale. This development would provide a new source of revenue to the Island and much-needed foreign exchange, as well as provide jobs for a number of people in direct employment and in catering for the requirements of yachtsmen.

It is planned to convert Marsamxett Harbour into a first class yacht centre. This harbour, which lies between Valletta, the capital, and the residential area of Sliema, can accommodate over 5,000 yachts in its sheltered natural creeks. During the current plan, only Phase I of the major scheme will be implemented. This would consist in converting the whole of Ta' Xbiex and Msida Creeks into a Yacht Harbour with the ancillary facilities.

Item 7. *Beach development works* £100,000

The development of beaches is complementary to the provision of hotel accommodation. Provision has therefore been made for a programme of beach development works. The works will be based on the recommendation of the United Nations Experts engaged to draw up a Master Plan for tourism in Malta.

Item 8. *Servicing of resort sites* £801,800

Item 9. *Improvements to traffic roads* £50,000

Some of the roads leading to new hotels or to areas which are very much frequented by tourists are inadequate to cope with the heavy traffic brought about by this new development. This provision is being made to improve such roads and to construct new approach roads, where necessary.

Funds are also being earmarked to continue to provide basic services (water, electricity, sewers and telephones) and access roads, where necessary, to areas particularly suitable for hotel development or where hotels are being constructed.

Item 10. *Technical assistance* £7,500

This provision is meant to cover the fees of consultants to be engaged by Government, through the Malta Tourist Board, to give expert advice on major projects involving hotel construction, transportation and promotion.

Item 11.	*Advertising, publicity and promotion*	**£150,000**

Advertising and publicity form the mainstay of tourist development, and are a main feature in any tourism drive. An allocation is being made to cover the cost of campaigns to be mounted from time to time by the Malta Tourist Board, and to meet the cost of any tourist agencies which might have to be opened in a number of countries.

Item 12.	*Yacht Marina*	**£21,387**

This provision is available from the 1959/64 Plan and is meant to cover the cost of completing the project.

Item 13.	*Land acquisition and compensation*	**£1,946**

This provision is a "carry-over" from the 1959/64 Plan.

TOURISM

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Grants to new hotels...	2,050,000 (a)	432,000	300,000	572,000	390,250	355,750
2	Loans to old hotels	100,000 (b)	30,000	5,000	32,000	26,500	6,500
3	Loans to beach establishments ...	50,000	5,000	5,000	5,000	10,000	25,000
4	Assistance to sea passenger service	33,000	3,000	26,000	4,000	—	—
5	Assistance to major catering projects	13,750	1,000	3,000	3,000	5,000	6,750
6	Establishment of a yacht centre ...	250,000	20,000	60,000	60,000	60,000	50,000
7	Beach development works	100,000 (c)	20,000	20,000	20,000	20,000	20,000
8	Servicing of resort sites	801,800 (d)	175,000	195,900	200,450	100,225	130,225
9	Improvements to traffic roads ...	50,000	5,000	15,000	10,000	10,000	10,000
10	Technical assistance	7,500	1,000	1,000	1,000	2,000	2,500
11	Advertising, publicity and promotion	150,000	80,000	20,000	20,000	20,000	10,000
12	Yacht marina	21,387 (b)	21,387	—	—	—	—
13	Land acquisition and compensation	1,946 (b)	1,946	—	—	—	—
	TOTALS	3,634,383	795,333	650,900	927,450	643,975	616,725

(a) Of which £229,600 available from 1959/64 Plan.
(b) Available from 1959/64 Plan.
(c) Of which £19,990 available from 1959/64 Plan.
(d) Of which £690,959 available from 1959/64 Plan.

AGRICULTURE

Total Allocation — £1,261,968

About 8.4% (7,840) of the gainfully occupied population of these Islands is employed full-time in agriculture. Besides, over 8,000 persons are engaged in part-time farming. About 55,000 persons are dependent more or less for their livelihood on agriculture. The importance of the agricultural industry lies not merely on its present contribution to the economy but in the fact that, if scientifically developed, it offers great potentialities as a major source of foreign exchange and equally great possibilities of producing import substitutes. In both these directions, agriculture could play an important part in solving the balance of payments problem of these Islands.

2. The development of agriculture in the first five year plan was generally based on the F.A.O. report of 1955 which had a definite bias on the development of the livestock industry. Very little progress could however be made on redistribution of private land in an effort to consolidate holdings. A scheme was however worked out for the letting of an extensive area of agricultural land at l-Aħrax tal-Mellieħa while encouraging consolidation of small holdings. The consolidation of small holdings will however take a number of years to reach certain desirable magnitudes. Future planning for Maltese agriculture must therefore take into account that large scale general farming is not an economic possibility owing to the small size and fragmented condition of agricultural holdings. More intensive forms of agriculture in which viable units require small amounts of land such as specialised and poultry farming will yield speedier results. Recent expertise advice is in fact in favour of the expansion of glasshouse horticulture. Agricultural policy during the next five years will be mainly directed towards the general development of horticulture with particular emphasis on glasshouse production. Glasshouse horticulture is expected to produce high value crops for export in advance of seasonal production in other countries. The Department of Agriculture will be provided with facilities for investigational work into glasshouse crops and other specialised forms of horticulture. The existing nursery for the propagation of fruit trees, vine stocks and other plants will be extended to cover glasshouse crops, etc. Assistance to farmers by way of loans and grants will be directed mainly towards investment in horticulture, especially in glasshouse crops.

3. The plan provides also for the extension of the schemes started under the 1959/64 Plan. It particularly aims at improving animal health and at safeguarding the local cattle population from disease. Provision is also being made for the construction of a cattle quarantine station in replacement of the one extensively damaged during the last war. Research work will be intensified and provision is being made for the establishment of agricultural laboratories and for the training of local staff. The recommendations of a F.A.O. agricultural expert for the improvement of marketing conditions by the erection of central markets will be implemented. The present marketing system is obsolete and needs redirection both in the

interest of farmers and consumers. Centralization of markets will result in greater stability in prices and will provide inducement to farmers to grow better quality crops. Provision is also made for financial assistance to the co-operative movement towards expenditure on capital development works directed towards better grading and storage facilities, etc. and to bulk farmers towards investments in improvements to farmhouses.

DETAILS OF SCHEMES

Item 1. *Cattle Quarantine Station* £42,200

The cattle quarantine station was extensively damaged during the war. A new station is to be set up to safeguard the local cattle population from the spread of disease. It is essential to keep imported cattle in quarantine for an adequate period. The animals would be periodically inspected by the Veterinary Surgeon and contact with indigenous stock during the possible "incubation period" would be completely eliminated.

Item 2. *Cattle Disease Eradication Scheme* £ 54,385

The scheme in operation for the eradication of brucella melitensis and tuberculosis in dairy cattle will be continued during the plan period. The scheme principally aims at the improvement of the efficiency of the dairy industry by eliminating losses caused by these diseases; and at providing additional safeguards to the public health by eradicating tuberculosis from cows. Provision is made for the compulsory slaughter of infected animals against payment of compensation to the owners either by replacing the animal by imported heifers free from disease or by monetary compensation.

It is estimated that by March 1964, there were some 100 known cases of tuberculosis and brucella abortus infection in Malta (Gozo is at present free and efforts are being made to keep it so). Over the next quinquennium it is anticipated that there will be about 300 cases of re-infection of herds. It is hoped that by the end of this plan period the Islands would be free from these two diseases and only periodic testing would be required.

Item 3. *Equipment and staffing research laboratory* £ 53,317

Item 20. *Animal Vaccination Scheme* £ 1,056

Concurrently with the scheme for the eradication of brucella abortus and tuberculosis in cows, research work is undertaken in an endeavour to eradicate brucella melitensis in goats. A good deal of preliminary research work has had to be done and various vaccines and methods of serological diagnosis had to be tested. One particular vaccine has been shown to confer immunity for at least one year but cannot be used on pregnant goats. Further research work is still necessary over a long period and funds for this purpose are being provided in the plan. At least it is now possible to work out a programme for the eventual eradication of this virus which can attack man through unpasteurized milk.

The amount provided for item 20 represents a "carry over" from 1959/64 and is meant to complete a pilot scheme of goat vaccination.

Item 4. *Equipping and staffing diagnostic laboratory* £40,177

In recent years, the development of the livestock industry in general and the pig and poultry industries in particular have shown that the rapid diagnosis and control of diseases in these animals are the most effective factors determining their profitability to farmers. Steps will be taken so that the Veterinary Section of the Department be properly equipped and staffed to carry out by bacteriological methods rapid diagnosis of the causes of sickness and death so that appropriate remedial action can be taken to prevent isolated outbreaks developing into general epidemics to the detriment of livestock production in particular and of the economy as a whole.

Item 5. *General Development of Horticulture* £260,832

The gross value of crop products sold off the farms in Malta is about £1¾ million annually. A very large proportion of this produce is horticultural. There is scope for considerable expansion of fruit production for the local market — about £600,000 worth of fruit is imported—and, as regards potatoes, onions, cut flowers and seeds, these already contribute substantially to Malta's export trade. Trial consignments of early tomatoes from glasshouses indicate that this field offers scope for development.

Provision is being made for the development of a central nursery for the propagation of fruit trees and vine stocks and other planting materials, the development of a field station for trial purposes, the provision of increased facilities for investigational work into glasshouse crops and other specialised forms of horticulture development; and the provision and training of staff.

Item 6. *Fruit Planting Incentive Grants* £12,659

Malta imports a considerable proportion of its fruit requirements, imports of fresh fruit amount to about £600,000 annually. The other side of the picture shows that local fruit production has declined sharply mainly as a result of losses through pests and diseases. In order to encourage fruit tree planting, planting grants will be given by way of compensation to the farmers who will have to forego any kind of yields from fields planted with trees for a period of four years. Farmers will be eligible for grants provided they plant the type of trees indicated by the Department of Agriculture and they carry out the planting in accordance with the conditions laid down by the Department. Apart from the production aspect the planting of these trees will provide a touch of colour to these Islands, thereby rendering the country more attractive to tourists. The scheme provides for the planting of a total area of 100 acres with 43,200 trees.

Item 7. *Development of Viticulture* £17,824

The grapevine has been and is likely to remain one of the most profitable and most widely cultivated fruits in these Islands. The local production of wine reaches between 80 and 100 thousand hectolitres per annum and the export value approximates £100,000 annually. The further development of wine production for local consumption and export has some potentialities.

Measures will be taken to bring about a healthy expansion of the industry by making available technical assistance to farmers, expanding wine grape plantings and reorganising viticulture to provide for experimental vineyards for rootstock varieties.

Item 8. *Steam Sterilization Units* £11,606

The development of a local glasshouse industry will almost certainly be based for years to come on small scale units which will not be of a size sufficient to warrant their equipment with a boiler and ancillary apparatus desirable for steam sterization of the soil. As it is the policy to encourage glasshouse growers to develop their enterprises into self-contained economic units, it is considered highly desirable for Government to make available sterilization facilities to small scale growers.

Provision is made for two mobile steam sterilization units complete with ancillary equipment, one for use in Malta and the other in Gozo.

Item 9. *Public Gardens, Plantations and Afforestation* £68,243

The resources in personnel and equipment available for the maintenance of public gardens and plantations are completely inadequate. These cover a total area of 650 acres scattered in plots of various sizes all over Malta and these play an important part in the drive to make the Island attractive to tourists. An allocation has been made to provide more personnel, material, particularly modern cultivation equipment and nursing appliances. The provision covers also the cost of afforestation of barren lands, a scheme which for financial considerations had to be phased over a number of plans.

Item 10. *Centralization of Markets* £136,833

The prevailing conditions of the pitkali in Malta have for long been considered as unsuitable and unhygienic. Moreover, the present marketing system is mediaeval. Local marketing conditions were studied by an expert who proposed the setting up of an efficient marketing system by centralizing the different markets in one or two centres. This reorganisation of the marketing system would result in a standardization of the prices of vegetables and fruits, thus helping the consumer; it would assist farmers to sell all their produce; and it would improve immeasurably the sanitary conditions under which produce would be sold.

Provision is made to cover the cost of building and finding equipment for one large market and a subsidiary one.

Item 11. *Agricultural Produce Inspection Shed* £24,792

All agricultural produce imported and exported comes under the control of the Phyto-Sanitary Branch of the Plant Protection Section of the Department. Its functions are broadly to ensure that all produce is free from the presence of undesirable organisms. Up to the present, the only means of achieving this has been by inspection. Since it is physically impossible to examine more than a small sample of each consignment, the system obviously leaves much to be desired. At the same time there is no treatment available beyond the conventional spraying which is ruled out as ineffective.

The position would be improved by the setting up of two fumigation chambers for the treatment and curing of produce suspected of containing undesirable pests. Provision is also being made for the complete reconstruction of the existing shed which was severely damaged during the war.

Item 12. *Loans and Grants to Farmers* £250,000

Shortage of investment capital for improvement of the agricultural industry is one of the main factors inhibiting development. During the 1959/64 Plan, money was made available to farmers in the form of grants and/or loans to encourage rapid development in certain directions and with regards to certain selected projects. It is highly desirable that such assistance should continue. Investment is particularly indicated in the following fields:— (i) poultry farming to make these Islands independent of imported eggs and poultry meat; (ii) the development of glasshouse crops which have a high export potential; (iii) the development of the pig industry to meet all local demand and develop an export trade through the local bacon industry; and (iv) in the stimulation of new techniques of production which would offer major economies in production, opportunity of developing exports and savings on imports.

Item 13. *Incentive Grants to Farmers* £ 40,090

The introduction of new techniques in agriculture is inevitably resisted because of the conservative outlook of most peasant farmers and the fact that they can ill afford to risk money on anything that has not before been tried and found successful. In order to overcome this attitude and help rapidly the introduction of highly desirable farming methods, provision is being made to give assistance to those farmers who are prepared to try out new techniques and new appliances under their own conditions of operation. It is felt certain that if convinced of their value, the farmers will rapidly accept such innovations as normal farming practices.

Item 14. *Assistance to Co-operatives* £75,000

The co-operative movement in Malta is primarily concerned with the marketing of members' produce. This movement can provide increased benefits to the farming community by grading, packing or processing the collective produce. Co-operative production of tomato paste and wine has been established for some time but other projects could be undertaken: such as potato packing, egg grading, poultry carcassing processing and compound fodder manufacture. Such projects require capital.

It is considered that it will be of benefit to the economy to give the farmer an interest in the processing for sale of those agricultural products which are not sold direct to the consumer but which when processed yield a higher unit value, thereby promoting the farmer's interest in quality production. For this purpose a scheme is being established for the issue of loans and grants to co-operative organizations to finance projects of the type mentioned which appear to be financially sound but for which capital cannot be raised by the farmer members concerned.

Item 15. *Improvements to Farmhouses* £57,500

Partly as a result of damage, either by direct action or by inability to carry out normal maintenance, and partly as a result of the advances made in agricultural techniques, a large proportion of the farmhouse equipment is either obsolete or in urgent need of repair or renovation. It is proposed to encourage private farmers to undertake repairs or renovation by offering grants towards three main types of projects, namely: the construction or repair of water storage tanks, the extension of water and electricity mains to farmhouse and the carrying out of general structural repairs or extensions.

Item 16. *Expatriate Staff* £39,608

The Department has enlisted the services of a number of expatriate qualified technicians during the last few years. This policy will be followed in the next five years as the need of further expertise assistance is still greatly felt in a number of agricultural activities.

Item 17. *Local Staff Training Abroad* £32,705

There are no facilties locally to provide appropriate training. Apart from in-service training all personnel have to receive at institutions abroad whatever training is necessary to fit them for their posts. The policy of sending officers abroad on training courses will not only be continued but intensified as the technical knowledge and skill of many officers falls far short of current needs.

Item 18. *Establishment of Agricultural Laboratories* £12,132

The technical staff of the Department who provide the bulk of the advisory service to farmers and breeders are accommodated at Ghammieri in buildings with no adequate facilities to undertake their tasks properly. To enable these officers to carry out the work efficiently, it is necessary to provide them with proper laboratory accommodation and equipment, library, storage and office accommodation.

Item 19. *Eradication of Swine Disease* £15,000

Swine fever was introduced into Malta soon after the war and is now responsible for the present despondent attitude among pig breeders. It is estimated that between £200,000 to £400,000 are lost annually through this disease.

It is possible to bring this disease under control and may be to eradicate it from these Islands by the use of lapinised vaccine and serum on a wholesale scale. To vaccinate the whole pig population, some £5,000 would be required annually for three years.

Item 21.	*Adopted Farms*	£2,945
Item 22.	*Improvements to Public Gardens*	£8,691
Item 23.	*Equipment for crop protection spraying service*	£1,369
Item 24.	*Purchase and adaptation of R.N. Abattoir*	£2,000
Item 25.	*Modernization of Civil Abattoir (Malta)*	£ 604

These provisions are available from 1959/64 Plan and are meant to cover the cost of completion of these schemes.

FISHERIES

Total Allocation — £384,793

The re-organization of the fishing industry on more efficient and economically productive lines has still a long way to go, as fishermen, like farmers, are not easily converted to new techniques. Malta still imports 640 tons of fresh fish, valued at £126,000, and tinned fish to the value of £116,000 annually. The policy followed in the first plan of giving grants and loans of fishermen for the purchase of larger boats and for equipment, will be continued during the next five years. The primary aim is the increase in the landings of fresh fish to reduce fish imports. The help given to the fishing industry in the past, and the services set up by the Department, have instilled a degree of initiative in the fishermen. Increases in catches could be achieved if the fishing industry were to be more remunerative for fishermen both ashore and afloat. The Plan, therefore, lays down a programme of works and schemes intended to help the fishing industry and to make it more profitable to fishermen.

DETAILS OF SCHEMES

Item 26.	*Improvements at Marsaxlokk*	£37,980

Fishermen at Marsaxlokk, which is an important fishing centre in Malta, labour under great handicaps because the width of the moles is far from sufficient for the purpose. It is therefore proposed to widen some 1,200 feet run which is the minimum needed in the present circumstances. This will provide the much needed space by fishermen for their fishing tackle.

Item 27.	*Dredging of inner part of Marsaxlokk*	£47,475

Several piers and slipways in the inner part of Marsaxlokk are unusable by fishermen for mooring, berthing and fuelling purposes as their approaches have been completely silted up. This area will be dredged to a depth of 12 feet to make it navigable.

Item 28.	*Construction of moles*	£79,000

The old fish ponds at Marsaxlokk were dredged to a depth of 12 feet to provide safe anchorage during bad weather for all the craft based in that berth, and at Żurrieq, Għar Lapsi and other adjacent areas. However, many facilities are sadly lacking. Moreover, the banks are gradually subsiding, especially where there is no rock bedding and these tend to silt up the whole enclosure.

Provision is being made for the construction of a concrete embankment to render the boat enclosure accessible to craft, thereby achieving the aim for which the pond was originally constructed.

Item 29.	*Extension of moles at Wied iż-Żurrieq*	£11,605

At Wied iż-Żurrieq, one of the main fishing centres, the moorings available and the landing and other facilities are of a very primitive kind. Quays where fishing equipment can be hauled and where "luzzi" can deposit their catches are almost completely lacking. These facilities are being provided by building a quay about 150 feet long.

Item 30. *Building of dwelling units.* £64,988

Housing and storage accommodation in the vicinity of the creeks, where fishing boats anchor for shelter, are very poor indeed. It is indispensable for fishermen to live as near as possible to their place of work as they have to look after their equipment almost continuously and must have their tackle near at hand. As a long-term measure, it is proposed to construct "fishermen's villages" near such centres. As a start, provision has been made in the plan to construct 10 housing units each with 4 small residential flats, and 20 stores at Marsaxlokk to meet the the most pressing needs.

Item 31. *Sundry works at Fishing Centres* £25,320

The Fisheries Department is responsible for the renewal, maintenance and improvement of slipways all over the Islands. Some of these are in a bad state of repair, others have no protective arms, making shipping and launching difficult in rough weather. The installation of hauling winches and small jib-cranes at several places is also needed. Provision is being taken to carry out such works in fishing centres.

Item 32. *Fishing Research* £21,520

No serious attempt at research work in the fishing sector has ever been made. It is evident that without such research no significant headway can be made in the fishing industry.

A fellowship has been awarded to the Vocational Training Officer of the Department. As a follow-up, and in order to set up the necessary organisation, the services of an expatriate marine biologist are being engaged. Provision is also being made for the training of a local officer and for the purchase of laboratory equipment.

Item 33. *Loans and Grants* £85,000

Maltese fishermen have been fishing since time immemorial in the inshore waters around these Islands. This has depleted the stocks to such an extent that in order to expand the industry it has become necessary to provide craft capable of operating in more distant waters and strong enough to withstand the heavy seas. The number of large and decked boats should therefore be augmented. Moreover, trawling activities have to be increased so that fishing in deeper water could be undertaken. It is therefore necessary to continue to give assistance in the form of grants/loans for the purchase of larger boats and to help fishermen to obtain modern fishing equipment.

Item 34. *Expropriation of lands and old fishponds at Marsaxlokk* £8,998

This provision, which is a "carry-over" from the 1959/64 Plan, is meant to cover the cost of expropriation of land taken over at Marsaxlokk for use by fishermen.

Item 35. *Provision of two winches at Marsaxlokk and Wied iż-Żurrieq* £2,907

This provision is available from the 1959/64 Plan.

AGRICULTURE & FISHERIES

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure 1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
	AGRICULTURE						
1	Cattle quarantine station	42,200	26,375	15,825	—	—	—
2	Cattle disease eradication	54,385 (a)	21,100	13,715	8,440	6,330	4,800
3	Equipping and staffing research laboratory	53,317	14,770	12,132	10,550	8,967	6,898
4	Equipping and staffing diagnostic laboratory	40,177	—	7,918	7,762	7,762	16,735
5	General development of horticulture ...	260,832	50,295	68,575	58,025	47,475	36,462
6	Fruit planting incentive grants	12,659	792	1,503	2,768	3,562	4,034
7	Development of viticulture	17,824	5,480	4,642	3,482	4,220	—
8	Mobile steam sterilising units	11,606	5,803	5,803	—	—	—
9	Public gardens, plantations and afforestation	68,243 (b)	10,000	15,825	10,550	10,550	21,318
10	Central Markets	136,833	—	42,200	31,333	30,300	33,000
11	Agricultural produce inspection shed ...	24,792	9,495	9,495	5,802	—	—
12	Loans/grants to farmers	250,000 (c)	33,000	44,250	69,500	60,750	42,500
13	Incentive grants to farmers	40,090 (d)	12,660	10,550	8,440	4,220	4,220
14	Assistance to co-operatives...	75,000	12,500	13,750	15,000	16,250	17,500
15	Improvements to farmhouses	57,500	9,000	10,250	11,500	12,750	14,000
16	Expatriate staff	39,608	7,773	7,754	8,173	7,754	8,154
17	Local staff training abroad	32,705 (e)	4,220	5,486	7,069	7,701	8,229
18	Establishment of agricultural laboratories	12,132	6,330	5,802	—	—	—
19	Eradication of swine diseases	15,000	5,000	5,000	5,000	—	—
20	Animal vaccination scheme	1,056 (f)	1,056	—	—	—	—
21	Adopted farms	2,945 (f)	2,945	—	—	—	—
22	Improvements to public gardens	8,691 (f)	8,691	—	—	—	—
23	Equipment for crop protection spraying service	1,769 (f)	1,769	—	—	—	—
24	Purchase and adaptation of R.N. Abattoir	2,000 (f)	2,000	—	—	—	—
25	Modernization of Civil Abattoir (Malta ...	604 (f)	604	—	—	—	—
	TOTALS AGRICULTURE ...	1,261,968	251,658	300,475	263,394	228,591	217,850

(a) Of which £2,016 available from 1959/64 Plan.
(b) Of which £1,500 available from 1959/64 Plan.
(c) Of which £901 available from 1959/64 Plan.
(d) Of which £1,954 available from 1959/64 Plan.
(e) Of which £593 available from 1959/64 Plan.
(f) Available from 1959/64 Plan.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
	FISHERIES						
26	Improvements at Marsaxlokk	37,980 (a)	2,500	16,880	18,600	—	—
27	Dredging of inner part of Marsaxlokk ...	47,475	—	21,100	26,375	—	—
28	Construction of moles	79,000	15,825	26,378	21,100	15,697	—
29	Extension of moles at Wied iz-Zurrieq ...	11,605	6,330	5,275	—	—	—
30	Building of dwelling units	64,988	—	21,100	17,935	25,953	—
31	Sundry Works at Fishing Centres ...	25,320	7,385	6,330	5,275	4,220	2,110
32	Fishing Research	21,520	5,380	4,325	4,220	4,325	3,270
33	Loans and Grants	85,000 (b)	14,500	15,750	17,000	18,250	19,500
34	Expropriation of land and old fishponds at M'xlokk	8,998 (c)	8,998	—	—	—	—
35	Provision of two winches at M'xlokk and Wied-iz-Zurrieq	2,907 (c)	2,907	—	—	—	—
	TOTALS FISHERIES ...	384,793	63,825	117,138	110,505	68,445	24,880
	GRAND TOTALS	1,646,761	315,483	417,613	373,899	297,036	242,730

(a) Of which £2,500 available from 1959/64 Plan.
(b) Of which £2,172 available from 1959/64 Plan.
(c) Available from 1959/64 Plan.

MILK MARKETING UNDERTAKING

Total Allocation — £363,664

In the context of the economic development of the Island, the milk industry is playing its part not only in providing employment but also in effecting a saving on foreign resources by producing dairy import substitutes. Malta still imports however about £570,000 of tinned milk and about £90,000 of milk products. It is the aim of the present plan to make the local milk industry more productive. Plant and equipment will be provided which will enable it to make full economical use of the by-products of pasteurization. Provision is being made for an increase in the capacity of the Malta and Gozo dairies and ancillary services and for the evening out of milk collection times which is expected to reduce costs. The plan provides also for modern and hygienic milk depots, improved staff training facilities and a scheme of incentive grants and assistance to herdsmen to adopt clean milk production methods and to improve the hygienic standard of the farms.

DETAILS OF SCHEMES

Item 1.	*Extension of Hamrun Dairy*	£86,350

A scheme for the expansion of the facilities available at the Dairy at Hamrun has been planned which will ensure a more economic utilization of milk and will provide larger storage accommodation. The scheme includes the following measures: — (a) conversion of the two bottling lines to machines capable of turning out 200 bottles each per minute, thus doubling the present output of these machines; (b) purchase of a filter to provide carton packs; (c) extension of liquid milk cold stores; (d) extension of creamery cold stores; (e) purchase of milk evaporating equipment for yoghourt, rikotta, cheeselets and cream.

Item 2.	*Extension and modification of the Gozo Dairy*	£14,260

The productive capacity of the Gozo Dairy will be increased by extending the present cold stores, and by purchasing additional equipment to increase the production of cheese. Better laboratory facilities will be available by increasing the present accommodation and purchasing new laboratory equipment.

Item 3.	*Mechanisation of Accounts*	£4,220

Provision is being made for the purchase of equipment for the mechanization of the accounts dealing with the purchase of milk.

Item 4.	*Staff and Staff Training*	£31,655

Staff training is a very essential factor in any industrial activity. The local milk industry lacks trained personnel who could introduce new techniques and modern improvements. During the last plan period a start had been made on sending a very limited number of employees abroad for training in cheese production. An intensive staff training scheme will be introduced during this plan. This will consist in sending technical officers holding key positions for courses abroad and in engaging fully qualified and experienced expatriate officers to train other employees and substitute local officials during such training courses. The provision taken covers the payment of salaries to expatriate staff and the cost of training abroad.

Item 5. *Clean milk production* £112,880

The object of the scheme is to ensure the production of clean milk of good keeping quality, through the grant of incentives to herdsmen to adopt clean milk production methods and to improve hygienic standards in their farms. The Advisory Section of the Undertaking will be reorganised in order to consolidate still further the benefits to be derived from these incentives. The scheme provides for—(a) the purchase of equipment necessary to ensure clean milk — this will be distributed to herdsmen at a reduced price; (b) grants to herdsmen to construct modern sheds or to improve the existing ones; (c) the free extension of water mains to outlying farms; (d) the construction of two lecture rooms (one in Malta and one in Gozo) and the purchase of the necessary equipment for the delivery of lectures to milk producers.

Item 6. *Milk depots (Malta)* £56,965

Item 7. *Milk depots (Gozo)* £38,840

A scheme will be introduced for the evening out of milk collection times. The scheme is expected to reduce collection costs, improve the health of the cow population and to ensure a supply of milk of a uniform fat content. The scheme provides for the replacement of the present collection depots, some of which are in an utterly unhygienic condition by a fewer number of new ones constructed on modern lilnes and provided with all the necessary equipment.

Milk will be delivered at depots between 6 and 9 a.m. and 5 and 7 p.m., thus evening out milking hours. The evening milk will be preserved in insulated tanks and it will not therefore be necessary to carry it to the dairy before the following morning, thus reducing transportation costs. The transport of raw milk from the depot to the Milk Centre will be carried out by means of insulated tanks drawn on trailers instead of the present churn system. Milk will be pumped straight from the tanks to the storage tanks at the Milk Centre. This will improve the keeping qualities of milk and increase its cleanliness.

The scheme contemplates the erection of three depots in Malta and two in Gozo. The depots will contain such equipment as weighing scales and dump tanks, pumping motors, refrigeration units (compressors), medium capacity tanks, laboratory equipment, boilers and churn washers.

Item 8. *Purchase of two insulated tanks* £4,000

Item 9. *Completion of garages and stores* £2,494

Item 10. *Purchase of a new H.T.S.T. pasteurisation unit* £12,000

These provisions are meant to cover the cost of projects which have been carried over from the 1959/64 Plan. Funds for items 8 and 10 were wholly available in that Plan while an additional £1,300 are required to complete the works under item 9.

MILK MARKETING UNDERTAKING

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Extension of Hamrun Dairy ...	86,350	57,335	27,535	1,480	—	—
2	Extension and modification of Gozo Dairy...	14,260	—	14,260	—	—	—
3	Mechanisation of accounts	4,220	4,220	—	—	—	—
4	Staff and staff training	31,655	—	10,340	4,540	7,900	8,875
5	Clean milk production	112,880	—	31,965	49,685	15,615	15,615
6	Milk collection depots (Malta) ...	56,965	20,765	18,100	18,100	—	—
7	Milk collection depots (Gozo ...	38,840	—	20,740	18,100	—	—
8	Purchase of two insulated tanks ...	4,000 (a)	4,000	—	—	—	—
9	Completion of garages and stores ...	2,494 (b)	2,494	—	—	—	—
10	Purchase of new H.T.S.T. pasteutization unit...	12,000 (a)	12,000	—	—	—	—
	TOTALS	363,664	100,814	122,940	91,905	23,515	24,490

(a) Available for 1959/64 Plan.

(b) Of which £1,194 available from 1959/64 Plan.

GAS

Total Allocation — £353,425

Town gas production is entrusted to a statutory board. During the last Plan, out-dated plant and equipment was replaced and a re-organization of the liquid gas distribution system was carried out. These measures are now bearing fruit and there is an increasing demand for both town gas and liquid gas. To enable the Gas Board to meet the anticipated increased demand for town and liquid gas, provision is being made for the financing of an expansion plan.

2. The programme of expansion estimated to cost £353,425 consists of:—

(i) Laying of gas mains (£52,750)

(ii) Purchase of liquid petroleum gas cylinders (£79,125)

(iii) Provision of an additional SEGAS Unit (£105,500)

(iv) Provision of a 450,000 cu. ft. gas holder (£73,850)

(v) Liquid petroleum gas equipment (£21,100)

(vi) Two storage tanks for liquid petroleum gas (£21,100).

These measures are expected to increase the production of town gas by 500,000 cu. ft. a day and the storage of liquid petroleum gas by 100 metric tons.

GAS

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Laying of gas mains	52,750	—	10,550	10,550	10,550	21,100
2	Purchase of liquid petroleum gas cylinders	79,125	—	12,660	15,825	15,825	34,815
3	Provision of additional SEGAS unit ..	105,500	—	34,815	34,315	16,000	20,370
4	Provision of a gas holder	73,850	—	—	36,925	36,925	—
5	Liquid petroleum gas equipment ...	21,100	—	10,550	10,550	—	—
6	Liquid petroleum storage tanks ...	21,100	—	21,100	—	—	—
	TOTALS	353,125	—	89,675	108,165	79,300	76,285

TECHNICAL EDUCATION

Total Allocation — £1,416,965

The expansion of technical education assumes special importance in a country in the process of industrialization. Concurrently with the incentives offered to industrialists to invest their capital and know-how in Malta an intensification of the technical education system has to be carried out as the success of the industrial sector depends to a large extent on the availability of highly skilled manpower. The present administration, fully alive to the significance of technical education in the present stage of development, increased the plan allocation of £1,036,340 to £1,325,129 in the review of the 1959/64 Plan.

2. It is the aim of the present Plan to consolidate what has been accomplished so far and to complete during the next five years a programme of works which will make the technical educational set up adequate to meet all demands of industry under each of the various categories of skill, from the professional level to craftsmen and other skilled labour. Particular emphasis is being given to the increase of the facilities available for secondary technical education in order that a sufficient flow of students may be available for professional and other more advanced technical studies.

3. Substantial improvement was made in the last quinquennium in the technical education field. In the lower levels, the Vocational and Industrial Training Scheme has served a very useful purpose in providing vocational training for those who are too old or do not possess the necessary standard of education to go to a technical school. At the same time, the erection of a Technical Institute in Malta, intended to centralize the work which was being done in craft centres all over the Island, was taken in hand. A similar building was also planned for Gozo. At the secondary level, the first Secondary Technical School for Girls is in occupation with an additional classroom block still under construction. The boys' school at Kordin was brought to completion and is fully in use whilst work was started on another school at Naxxar. The College of Arts, Science and Technology is nearing completion and a part of the building is being used.

4. The technical education programme for the new quinquennium had to be based on the demand likely to be made for this type of education. On the basis of projects worked out on the assumptions for emigration and services rundown taken in this plan, the demand for secondary level education is expected to be of the order of 10,000 a year. The present secondary school enrolment rate is however relatively low when compared with that in certain industrialised countries. Considering that as a result of the drive which is being made towards expansion of secondary education and of technical education in particular this rate is expected to increase, an allowance of a slightly higher rate has been made. It is also envisaged that the option for technical education will be larger than it has been in the past.

5. Although in practice there is a wide cleavage between secondary and technical (vocational) education due to differences in age range, objective and method of approach, these differences have to be more clearly accentuated and recognised if both secondary and technical education are to develop along correct lines. At present the admission age for entry into Vocational (Technical) Schools is higher than that covered by primary Education (over 14 years). In fact the age range of 15 and 19 years is applicable in this case, although in some instances the average age of 15 years is attained in the second year of the couse. Given an adequate provision for the lower age group — so that pupils may at no time find themselves in a gap between education at first level and technical education — consideration will be given for raising the admission age for entry into Technical Institutes for certain courses, consistently, as far as possible, with recommendations concerning technical and vocational education adopted by the General Conference of U.N.E.S.C.O. in December, 1962.

6. The annual output from the technical college, the various technical schools and training centres covered by the first development plan, is expected to reach the level of 1,890 trained students in the following order:—

Polytechnic	850
Secondary Technical Schools	600
Vocational Training Courses	300
3-year City and Guilds Courses	140
	1,890

It is the aim of the present plan to increase this annual output by 200 to 2,090. Funds are also being provided to equip such schools with up-to-date teaching aids, plant, tools etc., required to provide proper training facilities in these specialised schools.

7. The provision in the Plan under review represents mainly the cost of completing the construction of various schools and institutions taken in hand in the 1959/64 Plan.

8. With the establishment of the new department of Civil Engineering in the College of Arts, Science and Technology, craft and technician courses in the building and engineering trades will be needed to ensure a fair distribution of manpower between the professional and the craftsmen levels. Schemes for foremanship and supervisory training are also required. Provision had therefore to be made for a second Technical Institute in Malta as the Technical Institute under construction cannot accommodate this new section. In the new institution provision will also be made for courses on agricultural techniques and horticulture.

9. Provision has also been made for a scholarship scheme to enable students to take specialised courses in technical education abroad and for the continuation on the apprenticeship scheme introduced during the previous plan.

DETAILS OF SCHEMES

Item 1.	*Second Technical Institute, Malta (Construction)*	£368,210
	(Total Cost — £445,210)	
Item 2.	*Second Technical Institute, Malta (Equipment)*	£ 79,125

With the establishment of a Department of Civil Engineering in the College of Arts, Science and Technology, craft and technicians courses, which are at present not available, will be badly needed to support the professional level. Foremanship and supervisory training are also a pressing need. Courses dealing in agricultural techniques and, particularly, courses in the specialised branch of horticulture have to be instituted if the agricultural industry is to expand on scientific lines. When planning the institute under construction no provision was made for these courses. It is therefore essential to construct another institute in order to provide accomodation for such courses. The Institute when completed will take a maximum of 1,000 students.

Item 3.	*Vocational Training and Evening Courses*	£242,650

The scheme for providing vocational training for youths who are too old or do not possess the necessary educational skill to go to a Technical School, has worked satisfactorily. To continue the scheme a sum of about £48,500 annually had to be provided to run the various courses. This scheme provides for (a) ten-month full-time courses in woodwork, motor mechanics, sheet metal panel beating and welding; (b) two-year courses in motor vehicle fitting, engine fitting, electrical fitting, bench fitting, joinery, cabinet making, plastering and tile laying, painting and catering. Ten-month evening courses are also provided in woodwork, motor mechanics, welding and black-smithing, electrical insulation, diesel mechanics, linotyping, electro-plating, photography, armature winding and plumbing. On an average, 160 trainees will attend the full time courses and 840 trainees the evening courses.

Item 4.	*Scholarships*	£52,750

Scholarships abroad for courses in specialised subjects in technical education have to be provided to enable the Technical Institutes to keep the high standards required. Provision is being made for 43 scholarships.

Item 5.	*College of Arts Science and Technology (Site)*	£13,000
Item 6.	*College of Arts, Science and Technology (Construction)*	£71,805
Item 7.	*College of Arts, Science and Technology (Equipment)*	£75,200

In the reviewed 1959/64 Development Plan, an allocation of £450,000 was made for the construction of a College of Arts, Science and Technology based on a report by Mr J. C. Jones, the Technical Education Adviser to the Colonial Office. The college was expected to complete the educational ladder in applied science and technology by providing courses up to degree standard. The plans were approved by the Council for Overseas College of Arts, Science and Technology which allocated the sum of £100,000 towards the cost of the equipment required by the Polytechnic. Construction work started in 1962/63 and the College is expected to be completed by October 1964. This institution of higher studies will accommodate 850 full-time students. It will provde courses in Engineering (Mechanical, Civil and Electrical), leading to degrees of the Royal University of Malta. There will also be high level courses in Commercial Arts, Catering and Food Technology, Housecraft and Art. Funds are being provided in the Plan to continue the work in the College and to provide the necessary equipment, thus bringing the original scheme to completion.

Item 9.	*Technical School for Boys at Naxxar (Construction)*	£183,975
Item 10.	*Technical School for Boys at Naxxar (Equipment)*	£ 24,325
Item 11.	*Secondary Technical School for Girls (Construction)*	£ 40,100
Item 12.	*Secondary Technical School for Girls (Equipment)*	£ 40,585
Item 14.	*Technical Institute, Malta (Construction)*	£ 56,475
Item 15.	*Technical Institute, Malta (Equipment)*	£ 36,629
Item 17.	*Equipment for Paola Technical School*	£ 10,550
Item 19.	*Technical Institute, Gozo (Construction)*	£ 40,090
Item 20.	*Technical Institute, Gozo (Equipment)*	£ 10,550

The provisions made in the 1959/64 Plan proved insufficient to cover the cost of works and equipment essential to run the various courses in the schools described above. The provisions which, in certain cases, contain a carry-over from the 1959/64 Plan, represent the funds required to complete each project and to provide the necessary equipment. The completion of these schemes will provide accommodation for 3,600 studens, made up as follows:—

Naxxar School	1,200	students
Technical Institute, Gozo	200	,,
Secondary Technical School for Girls ...	1,200	,,
Technical Institute, Malta	1,000	,,
	3,600	students

Item 21.	*Grants towards the training of apprentices*	£58,000

Late in 1962 the Apprenticeship Scheme in force for some time was revised in order to provide better incentives for employers to take on more apprentices. The need of increasing the number of apprentices during this transitional period of Malta's industrial development cannot be overstressed. The provision covers an annual intake of about 100 apprentices.

Item 8.	*Purchase of Equipment — St Patrick's*	£1,742
Item 13.	*Technical School and Lyceum, Gozo*	£ 48
Item 16.	*Furniture and Equipment for Technical Schools*	£1,896
Item 18.	*Extension of St Patrick's*	£3,080
Item 22.	*Secondary Technical School for Boys at Kordin (Construction)*	£6,174

These provisions are "carry-overs" from the 1959/64 Plan and are meant to cover the cost of completion of the schemes.

EDUCATION (TECHNICAL)

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	2nd Tech. Inst. (Malta) (Construction) ...	360,210 (a)	—	31,400	47,610	141,600	147,600
2	2nd Tech. Inst. (Malta) (Equipment) ...	79,125	—	—	31,650	31,650	15,825
3	Vocational Training and Evening Courses	242,650	50,000	48,530	48,530	48,530	47,060
4	Scholarships	52,750	5,000	12,850	11,550	11,550	12,100
5	C.A.S.T. (Acquisition and Servicing of Site)	13,000 (b)	4,000	4,000	5,000	—	—
6	C.A.S.T. (Construction)	71,805	71,805	—	—	—	—
7	C.A.S.T. (Equipment)	75,200 (c)	21,100	15,825	12,275	13,000	13,000
8	Purchase of Equipment, St. Patrick's ...	1,742 (d)	1,742	—	—	—	—
9	Secondary Technical School for Boys at Naxxar (Construction)	183,975 (e)	74,488	94,487	15,000	—	—
10	Secondary Technical School for Boys at Naxxar (Equipment)	24,325 (f)	10,050	14,275	—	—	—
11	Secondary Technical School for Girls (Construction)	40,100 (g)	40,100	—	—	—	—
12	Secondary Technical School for Girls (Equipment)	40,585 (h)	9,000	10,650	10,000	6,000	5,035
13	Technical School and Lyceum, Gozo ...	48 (d)	48	—	—	—	—
14	Technical Institute (Malta) (Construction)	56,475 (i)	56,475	—	—	—	—
15	Technical Institute (Malta) (Equipment)	36,629 (j)	5,447	10,550	10,000	5,000	5,632
16	Furniture and Equipment for Technical Schools	1,896 (d)	1,896	—	—	—	—
17	Equipment for Pawla Technical School ...	10,550	5,275	5,275	—	—	—
18	Extension of St. Patrick's	3,086 (d)	3,086	—	—	—	—
19	Technical Institute (Gozo) (Construction)	40,090 (k)	—	20,090	20,000	—	—
20	Technical Institute (Gozo) (Equipment) ...	10,550	—	—	5,000	5,550	—
21	Grants towards the training of apprentices	58,000 (l)	6,720	10,250	12,860	14,860	14,170
22	Secondary Technical School for Boys at Kordin (Construction)	6,174 (d)	6,174	—	—	—	—
	TOTALS	1,416,965	372,406	277,782	229,475	276,880	260,422

(a) Total cost of project — £445,210
(b) Of which £4,097 available under 1959/64 Plan.
(c) Of which £50,721 available under 1959/64 Plan.
(d) Available from 1959/64.
(e) Of which £31,026 available under 1959/64 Plan.
(f) Of which £6,722 available under 1959/64 Plan.
(g) Of which £18,972 available under 1959/64 Plan.
(h) Of which £19,721 available under 1959/64 Plan.
(i) Of which £8,398 available under 1959/64 Plan.
(j) Of which £12,668 available under 1959/64 Plan.
(k) Of which £7,439 available under 1959/64 Plan.
(l) Of which £17,838 available under 1959/64 Plan.

HIGHER EDUCATION

Total Allocation — £1,209,612

The needs of the Maltese community in the changing economic conditions of the moment call for further development at the University level, particularly in the field of specialization. The University authorities have prepared the plans necessary for this academical establishment to play its full role in the industrial and economic development on which Malta is embarking.

2. As a result of the introduction of compulsory primary education in 1947, the number of pupils admitted into secondary schools in the middle 1950's increased considerably. The expansion of Grammar and Technical Schools is now having its full effect at the apex of the educational pyramid — the University. In October 1963 the annual intake of University students rose to 132 and the existing facilities are now just adequate to meet the needs of the present student population. But the changing economic structure of the Maltese Islands demands more and more university graduates at all levels of activity — industry, the civil service, education and commerce. The University's plans for further development will also enable it to keep abreast of the ever-increasing standards of higher education the world over. Moreover, it is considered essential that teaching should be balanced by research programmes. Fundamental research is an essential function of a University. From the teacher's point of view, the teaching remains interesting and enlightening as long as the teacher strives to explore new avenues of thought and new fields of research. From the student's point of view postgraduate work constitutes a vital part of the creative training of the future leaders of the nation, so necessary in an economy which demands new ideas, enterprise and initiative.

3. In order to accomplish its mission, the University has prepared a Master Plan for the building of a new University at Msida, the first phase of which began in November, 1963. The new University buildings will provide facilities for lectures, tutorials, seminars and debates, as well as other forms of academic and social amenities where students and staff can meet to discuss and exchange views. The new University will also cater for the physical well-being of the students and will eventually also provide residence for about one-fourth of the student population.

4. It had been realised from the outset that it would not be possible eventually to run the University in the existing buildings, even though the Evans Laboratories had not at the time started functioning. The Hetherington Commission had commented in 1957 "......... we are doubtful whether the present building in St Paul's Street, can ever provide a satisfactory home for the University .... it is cramped, extremely noisy, and so hemmed in by other buildings, that expansion is nearly impossible .... it would be admirable, if on a new site on which these needs could be met, a new University building could some day be erected."

5. The Hetherington Commission in 1957 recommended the construction of a new University building. The idea was taken up by the University Commission under Sir Ivor Jennings, and on their specific advice, a Master Plan involving a capital outlay of £1,099,025 was drawn up by Messrs Norman and Dawbarn, Consulting Engineers. In 1963 approval in principle was obtained from the Inter University Council for grant of £232,950 — the whole uncommitted balance then available out of the sub-allocation to the University — to implement the first phase of this scheme. The first phase of the Plan included: —

(a) a building to house the faculties of Arts, Laws ,and Theology and provisionally the Administration;

(b) Library block;

(c) part of "University House" to include the refectories and kitchen; and

(d) the playing fields.

DETAILS OF SCHEMES

Item 1. *Purchase of books and equipment for the University Library* £52,750

Up to 1947, the Library was practically non-existent. Since 1947 a total of £57,000 has been provided for books and equipment, the greater bulk of which has gone in the acquisition of books which now total 65,000 volumes housed in three different sections, namely, the Main Building, Science Block and Medical School.

Although this has been a very good start, the Library cannot be said to have kept in line with the development in the Faculties, particulary in the fields of Medicine and Science it has been extremely difficult to keep abreast its new publications. With the expansion of the Faculty of Science in the new buildings, the institution of higher degree courses, and, in the case of the Faculty of Medicine, the improved teaching facilities now available in the Medical School, demands on the Library will be even greater. There are at present urgent requests for large lists of books, periodicals, monograms, etc. It is envisaged that a sum of £10,550 a year during the coming five years would enable the University Library to tide over essential demands of publications with perhaps a start in the fields of audio-visual aids which are considered indispensable to modern teaching methods.

Item 2. *Purchase of Equipment* £75,392

The existing equipment at the University leaves much to be desired. It is proposed to purchase items which are badly needed independently of the building programme, and which have to be acquired if the current improvement in standards of courses is to be maintained. These are mainly scientific instruments and other items indispensable for teaching. In view of the urgency with which this equipment is required it is expected that all the amount under this heading would be spent by the end of 1964/65.

Item 3. *Preservation and use of Maltese Archives for historical research* £6,062

The object of the scheme is the restoration and proper cataloguing of all records of historical interest existing in Malta. The bulk of these are the Archives of the Order of St John which include documents dating from the 14th century which the Knights brought with them when they came from Rhodes.

Although work on this project has been going on steadily for about ten years, it can scarcely be considered even half through, so extensive is the volume of material awaiting perusal. Some work has also been performed on the preparation of a general guide and plain lists of other Archives existing in Malta notable among these being the records of the ecclesiastical courts and of the Inquisition. The scheme also provides for the restoration of manuscripts and other documents.

Item 4. *Construction and equipping a new Medical School* £2,331

Item 5. *Publication of Maltese text-books* £ 305

These represent balances which remained unspent on 1st April, 1964, from grants made to the Royal University of Malta. Both schemes will be brought to completion.

Item 6(a). *Master Plan (Phase I)* £206,697

In April, 1963, a grant of £232,950 was received to meet the cost of the first phase of the University Master Plan. The sum of £232,950 was meant to cover the following items:—

Survey of Site	£ 2,900
Purchase of Site	45,000
Sketch Scheme	3,975
First Phase Site Works	
Playing Fields and Buildings (including some items of equipment)	181,075
	£232,950

A balance of £206,697 was still outstanding in April, 1964, and provision is being made to proceed with this work during the next five years.

Item 6(b). *Master Plan (Phases II and III)* £866,075

The main feature is the erection of separate buildings to house Physics and Mathematics, Chemistry and the Biological Sciences including the pre-Clinical Sciences, all of which are at present situated in the Evans Laboratories building. There is also provision for the necessary site works as well as for extension of the playing fields, construction of a maintenance area which, with the large number of buildings then in use would be indispensable, and the provision of further equipment (mainly shelving) for the Library.

The necessity of the Science buildings which are the major items of this phase need some further explanation. There has been a rapid rise in student numbers since annual entry into Arts and Science Courses and biennial entry into the other courses were introduced. From the low figure of 215 in 1959 numbers have now reached 430. This is still a proportionately low figure when compared to the corresponding figures in Britain and even lower when comparison is made with some of the other European countries. Pressure from the increasing numbers in the secondary schools and the ever increasing demand for higher education gives rise to the expectation of about 650 by 1967 and over 800 by the early seventies.

The number of students reading Science and in the pre-medical courses is increasing even more rapidly than for the other courses. The Evans Laboratories are much too small to take the numbers and unless immediate action is taken to provide new buildings, there is the danger that it would not be possible in a few years to find a place for all the candidates seeking admission. Moreover, with the institution of higher degrees and the provision of specialised research equipment, better planned and large laboratories have become imperative. These needs were not intended to be catered for when the Evans Laboratories were planned.

In Phase III of the plan would come the first students' residence to house 100 students, the extension of the Library to take 240,000 volumes, the completion of University House to provide all necessary student and staff amenities and the Administration Block, which would contain all the offices, the printing department and general services. The need for the last building would arise not only from the increase in administrative staff inevitable with such a large organization, but also from the necessity of further space for the Faculty of Arts due to larger student numbers.

HIGHER EDUCATION

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Purchase of books and equipment for the University Library	52,750 (a)	10,550	10,550	10,550	10,550	10,550
2	Purchase of equipment	75,392 (b)	75,392	—	—	—	—
3	Preservation and use of Maltese Archives for Historical Research	6,062 (c)	2,012	1,200	950	950	950
4	Construction and equipping a new Medical School	2,331 (d)	2,331	—	—	—	—
5	Publication of Maltese text-books ...	305 (d)	305	—	—	—	—
6	Master Plan:						
	Phase I	206,697 (d)	206,697	—	—	—	—
	Phase II and III	866,075	—	189,109	232,084	222,469	222,413
	TOTALS	1,209,612	297,287	200,859	243,584	233,969	233,193

(a) Includes £3,467 balance from grant made by Inter University Council prior to 1. 4. 64.

(b) Includes £53,542 balance from grant made by Inter University Council prior to 1. 4. 64.

(c) Includes £787 balance from grant made by Inter University Council prior to 1. 4. 64.

(d) Balances from grants made by Inter University Council prior to 1. 4. 64.

EDUCATION

Total allocation — £2,076,463

A review has been carried out of the needs of education at primary and secondary school levels from which it has emerged that adequate facilities exist for primary education. Population forecasts based on the emigration assumptions made in this plan indicate that secondary education is lagging behind when compared with other countries and account is taken of the needs of this type of education for sustained economic development. It has therefore been decided to step up secondary education, both grammar and technical. The review also revealed the gap existing between primary school leaving age and the employment age for those children who do not succeed in obtaining a place in the Secondary Schools. Provision is therefore being made for a new type of intermediate education so far unknown in Malta.

PRIMARY

2. Considerable progress was made in the Primary School Building Programme since 1955 and some 27 new schools have been constructed in various localities in Malta and Gozo. However, there is a number of classes still temporarily housed in unsuitable premises in various towns and villages. The result of the review to which reference is made in the preceding paragraph, indicates that there is no need for increasing school accommodation in the next five years, but there is room for an improvement in existing accommodation where this is provided in private dwellings. The programme of primary school building included in the plan is therefore not aimed at increasing school accommodation as such but is intended to provide suitable accommodation in substitution of those private premises which are considered to be unsuitable for use as classrooms. The localities of the new schools are the following: Mensija, Sta. Venera, Rabat, Marsaskala and Mellieha and 86 classrooms and ancillary accommodation will be provided. Provision has also been made for reinstatement works in the Auberge de Baviere which is used as a Boys' School at Valletta and for bringing to completion other school building programmes undertaken in 1959/64 Plan.

3. As stated in paragraph 1, a new scheme for extended courses is being introduced. The scheme is intended to provide tuition for those children who have reached Standard V or VI of the Primary School and have failed to secure a place in the Government Secondary Grammar/Technical Schools or whose parents cannot afford to send them to a private school. The need for such a scheme has been felt for a long time and is of great importance as such children are normally under 14 years of age and cannot obtain employment before they are 16 years of age. Furthermore they possess only elementary education with practically no opportunity of improving their knowledge or equipping themselves for posts requiring a higher level of education.

4. The courses to be provided will be of lower secondary level. Besides English and Maltese, the children will be taught a foreign language, mathematics, civics, typewriting, shorthand and simple book-keeping. Children would thus be prepared for jobs as clerk-typists and shorthand typists, reception clerks and such like jobs which, although not requiring secondary education, would require somewhat higher education than primary level. These centres could also provide a stepping stone for entry into technical schools. Provision is accordingly being made for the erection of two centres, one for boys and one for girls in Malta and for the equipping of five other centres (three in Malta and two in Gozo) to be temporarily housed in private premises.

5. Funds are also being provided for the erection of schools for special types of children — such as educationally subnormal children and mal-adjusted children. The aim of the project is to rehabilitate the handicapped.

SECONDARY

6. To provide for a stepping up in education at secondary level and to meet the demand for this type of education in the years to come, a second Grammar School will be constructed in Malta. The school will cater for both boys and girls. Provision is also being made for the construction of a Secondary School in Gozo where accommodation for secondary education is very limited. The school will embrace both types of secondary education, viz., grammar and technical.

DETAILS OF SCHEMES

Item 1. *Erection of a new school at Mensija* £79,125

There are thirteen classes at Mensija: these are housed at five different premises, four of which are privately-owned. These premises are very restricted and un-hygienic. It is therefore proposed to build a new school with 18 classrooms to meet future needs for primary school education in a locality where extensive building development is taking place.

Item 2. *Erection of a new school at St Venera* £108,137

The school at St Venera is temporarily housed in Casa Leoni, a historic building, which besides not being a suitable place for use as a school, is earmarked as a National History Museum. The new school will have 30 classrooms and will accommodate the overspill from the Birkirkara area.

Item 3. *Erection of a school at Rabat (Girls)* £105,500

This new school will provide 30 classrooms to replace temporary classes in the playground of the existing Boys' School and temporary accommodation in an ecclesiastical property. The owners of this building have for quite some time been requesting the release of the building.

Item 4. *Erection of a school at Marsaskala* £40,090

Provision is being made for 10 additional classrooms in this new school to replace unsuitable accommodation in private premises.

Item 5. *Erection of a school at Mellieha (Boys)* £63,300

A number of classes is housed in two private premises which are considered to be unhygienic. It is therefore proposed to construct additional accommodation in the existing school.

Item 6. *Repairs to Auberge de Baviere School* £39,035

Provision is being made to carry out reinstatement works to the Auberge de Baviere School which is in a very dangerous condition.

Item 7. *Two centres for extended courses* £100,225

Item 8. *Equipment for extended courses* £ 36,925

This is a scheme meant to bridge the gap between school leaving age and employment age of those children who have passed the top Primary Standard V and who do not succeed in obtaining a place in the Government Secondary Technical/Grammar Schools. Three-year courses are to be provided at an intermediate level to prepare students for jobs which do not necessarily require a full course of secondary education. There will be eventually five centres in Malta and two in Gozo. Provision is being made for the building of two centres in Malta (one for boys and one for girls) and for equipping those centres which would be temporarily housed in private premises.

Item 9. *Second Grammar School (Boys and Girls) (Construction)* £506,270

(Total cost — £542,270)

Item 10. *Second Grammar School (Boys and Girls) (Equipment)* £ 82,290

Consistently with the need to step up secondary education, provision is being made to increase the accommodation available at the Lyceum and Girls Secondary School. The new school will provide 1,200 places. The provision in respect of the Secondary Grammar School is being limited to the costs of works which are expected to come up for payment during the plan period.

Item 11. *Special Schools (Construction)* £203,615

Item 12. *Special Schools (Equipment)* £ 7,284

Educational facilities for handicapped children are being extended to meet the acutest needs. This measure will reduce the burden on the State by making these unfortunate members of the community useful citizens. The programme under this plan will consist of: (i) construction of a school for the severely crippled in Malta, with accommodation for 50 children — the school will be partly residential; (ii) construction of a centre for severely subnormal children in Gozo, (iii) extension to existing two centres in Malta.

Item 13.	*Secondary Grammar / Technical School, Gozo (Construction)*	£389,000
	(Total Cost — £442,000)	
Item 14.	*Secondary Grammar / Technical School, Gozo (Equipment)*	£70,685

Facilities for secondary education in Gozo are somewhat lacking and the school is intended to make available more opportunities for secondary education, both grammar and technical, to meet the anticipated needs in this level of education. In the case of the Secondary Technical School, Gozo, the privision is limited to the expenditure which is expected to come up for payment up to the end of the plan period.

Item 15.	*Providing additional school accommodation*	£28,000
Item 16.	*Cost of outstanding acquisition of sites*	£30,000
Item 17.	*St Michael's Training College (Construction)*	£ 4,053
Item 18.	*St Michael's Training College (Equipment)*	£23,487
Item 19.	*Girls' Grammar School*	£ 520
Item 20.	*Erection of a school at Mosta*	£18,675
Item 21.	*Erection of a school at Ghajnsielem, Gozo*	£ 8,773
Item 22.	*Erection of a school at Victoria, Gozo*	£46,766

These provisions represent balances (in most cases available from the 1959/64 Plan) to complete the projects.

Item 23.	*Equipment for Lyceum and Grammar Schools*	£12,550

The funds made available under the 1959/64 Plan proved insufficient to cope with requirements for the equipment required in the Grammar and Secondary Schools and it is therefore proposed to make provision for additional equipment to meet the needs of these schools.

Item 24.	*Valletta Primary School (Girls)*	£15,550
Item 25.	*Marsa / Ħamrun Primary School*	£10,550

Item 26.	*Cospicua School*	£31,650

Provision is being made for completion of these schemes which were taken in hand during the last plan.

Item 27.	*Equipment for Primary Schools*	£7,913

The funds made available under the 1959/64 Plan period proved insufficient to cope with the requirements for equipment in Primary Schools and provision is accordingly being made for additional equipment to meet current needs.

Item 28.	*Erection of a new school at Safi*	£430
Item 29.	*Erection of a new school at Attard*	£11
Item 30.	*Erection of a new school at Fgura*	£122
Item 31.	*Erection of a new school at Rabat (Extension)*	£15
Item 32.	*Erection of a new school at Żejtun*	£51
Item 33.	*Equipment for centre for mentally handicapped*	£245
Item 34.	*Erection of a new school at Żurrieq*	£650
Item 35.	*Erection of a new school at S. Lawrenz*	£3,140
Item 36.	*Erection of a new school at Sannat*	£1,749

These provisions are available from the 1959/64 Plan.

EDUCATION

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Erection of a new School at Mensija ...	79,125	21,100	47,475	10,550	—	—
2	Erection of a new School at Sta.Venera	108,137	—	31,650	50,112	26,375	—
3	Erection of a new School at Rabat (Girls)...	105,500	—	—	52,750	52,750	—
4	Erection of a new School at M'Skala ...	40,090	—	18,990	21,100	—	—
5	Erection of a new School at Mellieħa (Boys)	63,300	—	21,100	36,925	5,275	—
6	Repairs to Auberge de Baviere School ...	39,035	—	39,035	—	—	—
7	Two centres for Extended Courses ...	100,225	—	31,650	26,375	42,200	—
8	Equipment for Centres for Extended Courses	36,925	—	15,825	21,100	—	—
9	Second Grammar School (Boys and Girls) Construction	506,270 (a)	—	158,250	181,550	105,500	60,970
10	Second Grammar School (Boys and Girls) Equipment	82,290	—	25,320	35,870	10,550	10,550
11	Special Schools — Construction	203,615	—	94,000	21,615	44,000	44,000
12	Special Schools — Equipment	7,384	—	5,681	978	725	—
13	Grammar/Secondary /Technical School (Gozo) Construction	389,000 (b)	—	158,250	108,706	102,294	19,750
14	Grammar/Secondary Technical School (Gozo)Equipment	70,665	—	21,100	25,326	10,550	13,709
15	Providing additional School accommodation	28,000 (c)	28,000	—	—	—	—
16	Cost of outstanding acquisition of sites ...	30,000 (d)	8,000	7,000	7,000	8,000	—
17	St. Michael's Training College—Construction	4,035 (e)	4,035	—	—	—	—
18	St. Michael's Training College—Equipment	23,487 (e)	11,800	11,687	—	—	—
19	Girls' Grammar School	520 (e)	520	—	—	—	—
20	Erection of a School at Mosta	18,675 (e)	18,675	—	—	—	—
21	Erection of a School at Ghajnsielem ...	8,773 (e)	8,773	—	—	—	—
22	Erection of a School at Victoria	46,766 (e)	39,973	6,793	—	—	—
23	Equipment for Lyceum & Grammar Schools	12,550 (f)	3,000	2,550	2,000	1,000	4,000
24	Valletta Primary School (Girls)	15,550 (g)	15,550	—	—	—	—
25	Marsa/Ħamrun Primary School	10,550	10,550	—	—	—	—
26	Cospicua School	31,650 (h)	1,433	5,275	12,942	12,000	—
27	Equipment for Primary Schools	7,913 (i)	2,616	1,771	3,524	—	—

(a) Total cost of project — £542,270.
(b) Total cost of project — £422,000.
(c) Of which £12,929 available from 1959/64 Plan.
(d) Of which £9,211 available from 1959/64 Plan.
(e) Available from 1959/64 Plan.
(f) Of which £4,650 available from 1959/64 Plan.
(g) Of which £4,883 available from 1959/64 Plan.
(h) Of which £1,433 available from 1959/64 Plan.
(i) Of which £2,616 available from 1959/64 Plan.

EDUCATION

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
28	Erection of a new School at Safi	430 *	430	—	—	—	—
29	Erection of a new School at Attard ...	11 *	11	—	—	—	—
30	Erection of a new School at Fgura ...	122 *	122	—	—	—	—
31	Erection of a new School at Rabat (Extn.)	15 *	15	—	—	—	—
32	Erection of a new School at Żejtun ...	51 *	51	—	—	—	—
33	Equipment for Centre for Mentally Handicapped	245 *	245	—	—	—	—
34	Erection of a new School at Żurrieq ...	650 *	650	—	—	—	—
35	Erection of a school at San Lawrenz ...	3,140 *	3,140	—	—	—	—
36	Erection of a school at Sannat	1,749 *	1,749	—	—	—	—
	TOTALS	2,076,463	180,438	703,404	618,423	421,219	152,979

* Available from 1959/64 Plan.

ANTIQUITIES

Total Allocation — £464,117

Malta's prehistoric past, so well represented by the Neolithic temples and other well preserved ancient monuments, constitutes our national heritage. At the present stage of our development, it becomes essential to exhibit to the best advantage and enlarge upon the national collections of antiques, natural history specimens and material relating to local customs and traditions, which are a source of attraction to visitors. Capital expenditure on the preservation of antiques is an investment which would help the development of tourism.

DETAILS OF SCHEMES

Item 1. *Natural History and Folk Museum (Malta)* £31,650

This Museum is intended to be housed in the Magisterial Palace at Mdina. The display of museum pieces in a historic setting would be more appealing to tourists. The Magisterial Palace at Mdina is being converted into a Museum in which will be displayed exquisite specimens in the field of Geology, Minerology, Palaeontology, Natural History, Folklore, Rural Life and Crafts and Local History & Customs. To adapt this historic building for a museum, restoration, alteration and decoration works have to be carried out. Provision is being made for alteration and decoration works and for the purchase of display equipment. Under the Public Buildings and Other Works and Services Chapter, provision is also made for reinstatement works to the Magisterial Palace estimated at £15,000.

Item 2. *Ħaġar Qim and Mnajdra* £18,460

The Ħaġar Qim and Mnajdra Temples rank in importance with the Neolithic Temples at Tarxien. Unlike the latter they are not protected by a boundary wall. To prevent further damage by atmospheric agencies and at the hands of careless intruders it is necessary to protect them by the construction of boundary walls. In such an enclosure the prehistoric beauty of these rare monuments will be better appreciated by the uninitiated tourists.

Item 3. *War Museum* £2,740

A War Museum will be set up in the historic halls of St. John's Cavalier, Valletta. The scope of this Museum is to exhibit modern war relics and to illustrate and record events and operations in the 19th and 20th Centuries as they occured in or affected these Islands and the Mediterranean. Most of the exhibits are on view in a wrong setting as they are displayed in the Palace Armoury where they clash historically and aesthetically with the armour of the Knights of St. John. Important weapsons and historical documentary evidence at present housed at Headquarters Troops, Malta, will also be transferred to the War Museum. Such a Museum will not only provide a new and interesting attraction to visitors but will also be a fitting tribute to the historic role Malta and its peoples played during the last two world wars.

Item 4. *Natural History and Folk Museum (Gozo)* £2,635

St Theresa's Hospital, Victoria, Gozo, which was built in the sixteenth century is earmarked to house a History and Folk Museum containing sections on history, folklore, rural life and crafts and local history and customs. The building requires adaptation works as well as alterations and re-decoration to make it suitable for use as a museum. Provision is being made for these works, ancillary repairs and for the purchase of display equipment.

Item 5. *Restoration af bastions* £274,300

Malta is renowned for its old fortifications built by the most famous military engineers of the sixteenth — eighteenth centuries. Besides being a national heritage they are of special attraction to tourists for their historical value. The cost of restoring these buildings is phased over a number of years. The provision in this plan is limited to maintenance and repair works on bastions surrounding the old cities.

Item 6. *Restoration of Sacra Infermeria* £105,500

The Sacra Infermeria which was the Hospital of the Knights of St John and one of the best equipped institutions of that nature in that particular period, was badly damaged during the war. It is now in a very bad state of repair and requires urgent restoration works.

Item 7. *Repairs to public monuments* £15,820

There are a number of old monumental fountains and architectural ornaments in the streets and public gardens of Valletta and elsewhere which require restoration and proper maintenance. Besides being of historic and artistic value, they provide an added attraction to tourists.

Item 8. *Restoration of paintings* £10,550

The provision is intended to meet the cost of the preservation and restoration of paintings of artistic and historical value in the Museum collection and in Government buildings and churches.

Item 9. *Restoration of Mdina bastions* £2,462

This provision is transferred from the 1959/64 plan.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Natural History and Folk Museum Malta...	31,650	—	15,830	7,910	7,910	—
2	Hagar Qim and Mnajdra	18,460	—	9,230	9,230	—	—
3	War Museum	2,740	—	525	2,215	—	—
4	Natural History and Folk Museum Gozo	2,635	—	685	685	1,265	—
5	Restoration of bastions	274,300 (a)	20,000	35,900	61,650	61,650	95,100
6	Restoration of Sacra Infermeria ...	105,500	—	31,650	31,650	21,100	21,100
7	Repairs to public monuments ...	15,820 (b)	1,200	7,910	6,710	—	—
8	Restoration of paintings	10,550 (c)	2,110	2,110	2,110	2,110	2,110
9	Restoration of Mdina bastions ...	2,462 (d)	2,462	—	—	—	—
	TOTALS	464,117	25,772	103,840	122,160	94,035	118,310

(a) Of which £5,849 available from 1959/64 Plan.
(b) Of which £1,159 available from 1959/64 Plan.
(c) Of which £916 available from 1959/64 Plan.
(d) Available from 1959/64 Plan.

HEALTH

Total Allocation — £1,041,231

An extensive hospital building programme was provided for in the 1959/64 plan. The works provided for were largely based on the recommendations of the Economic Commission under the chairmanship of Sir George Schuster. The works included in this plan broadly fall in line with the established policy. The major work to be undertaken during this plan is the erection of a Children's Hospital on the grounds of St Luke's Hospital. The new hospital will release much needed accommodation at St Luke's Hospital by the transfer of the children's wards to the new institution. Provision for the construction of a children's unit had been made in the First Five Year Plan but due to the late finalization of plans the project had to be deferred and the allocation was utilized to finance other works.

2. Provision is also being made to complete the modernization of the Hospital for Mental Diseases, St Bartholomew's Hospital and St Vincent de Paul Hospital. Funds are being provided as well to complete the equipment of the new X-Ray Unit, the Central Medical Store, the new laundries at St Luke's Hospital and at the Hospital for Mental Diseases. The hospital facilities in Gozo leave much to be desired. In view of this the hospital service in Gozo is not being run as efficiently as it should be. Provision is therefore being made for the modernization of the Gozo hospitals.

DETAILS OF SCHEMES

Item 1. *Construction of a Children's Unit* £263,750

Item 2. *Equipment for Children's Unit* £51,585

At present there are only two small children's wards of about 30 beds each for medical cases at St Luke's Hospital. Other sick children are scattered in different adult wards in the various hospitals. Apart from over-crowding which is created, this is inadvisable and undesirable from many points of view. It is therefore proposed to construct a children's unit of about 140 beds on the grounds of St Luke's Hospital where all young patients would be kept in a congenial atmoshpere under the care of suitably trained staff and within easy reach of the specialists in the main hospital.

Item 3. *Equipment for X-Ray Unit* £70,440

The construction of an X-Ray Unit is being undertaken. The provision made for equipment in the First Five Year Plan was intended to cover the cost of only a part of the equipment needed. It is therefore necessary to provide the new Unit with modern specialized equipment which will include five diagnostic units, equipment for cardo-angiography and arteiography cases, and one milli amperes output unit mainly for short exposure need in radiography of children.

Item 4. *Modernization of Hospital for Mental iDseases* £129,107

Dr. J.O.F. Davies, the expert who carried out an investigation on hospital facilities in Malta in 1957, in his report strongly recommended that steps be taken to modernize the Hospital for Mental Diseases. The modernization programme which was started in 1962 will be continued. The provision which is being made is intended to cover improvements to lavatory and surgical facilities, necessitating structural alterations, provision of additional rooms, provision of an adequate number of electrical points and other works in the hospital.

Item 5. *Public toilets* £31,650

Toilet facilities are lacking or inadequate in certain popular centres specially those of interest to tourists. It is therefore proposed to construct toilet facilities where most needed.

Item 6. *Modernization of St Vincent de Paul Hospital* £84,400

The hospital was built in the last century and is in dire need of modernization and improvement. Some works were already started during the first Five Yeaar Plan and with the funds being provided, it is proposed to continue the programme of works, to modernize the lavatory and catering accommodation and to carry out adaptation works in the buildings to suit modern methods of treatment.

Item 7. *Modernization of St Bartholomew's Hospital* £84,400

This is another instance where improvement and modernization works are indispensably required if the hospital is to be run efficiently and on modern standards. The need of creating the right atmosphere in a hospital for incurables cannot be overstressed.

Item 8. *Modernization of the Gozo Hospitals* £84,930

The hospitals in Gozo are old and lack most of the facilities which make the hospital worthy of its name. As the modernization of some of the hospitals in Malta had paid good dividends, it is proposed to apply the same treatment to the hospitals in Gozo

Item 9. *Equipment for new laundry at the Hospital for Mental Diseases* £40,900

Item 10. *New laundry at St Luke's Hospital* £12,340

Item 12. *New kitchen equipment at Hospital for Mental Diseases* £33,300

Item 14. *New boiler plant at Hospital for Mental Diseases* £16,840

Item 16.	*Kitchen equipment at St Vincent de Paule Hospital*	£26,800

Following an investigation made by consultants in 1962 Government was advised that the provisions made in the First Five Year Plan for equipping the new laundries at St Luke's Hospital and at the Hospital for Mental Diseases, were far from adequate. A new boiler plant will have to be installed at the Hospital for Mental Diseases. Provision is therefore being made to purchase the additional equipment recommended by Consultants.

Item 11.	*Extension of kitchen at Hospital for Mental Diseases*	£13,195
Item 13.	*Construction of a new laundry at Hospital for Mental Diseases*	£9,321
Item 15.	*Construction of an X-Ray Unit*	£21,421
Item 17.	*Bus shelter and latrine opposite St Luke's Hospital*	£6,000
Item 18.	*Refuse Pulverising Plant*	£89,413
Item 19.	*School for Nurses (Construction)*	£3,673
Item 20.	*School for Nurses (Equipment)*	£9,558
Item 21.	*Quarters for Doctors and Students (Construction)*	£3,577
Item 22.	*Quarters for Doctors and Students (Equipment)*	£5,000
Item 23.	*Central Medical Store (Construction).*	£231
Item 24.	*Central Medical Store (Equipment)*	£171
Item 25.	*Modernization of T.B. Wing, St Vincent de Paule Hospital*	£14,560
Item 26.	*Construction of a dumping pit*	£109

Provision is being made for the completion of the above projects. These amounts are carried over from the 1959/64 Plan.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Children' Unit...	263,750	—	42,200	52,750	103,300	65,500
2	Equipment for Children's Unit ...	51,585	—	—	14,770	8,965	27,850
3	Equipment for X-Ray Unit... ...	70,440 (a)	7,140	12,660	8,440	21,100	21,100
4	Modernization of Hospital for Mental Diseases	129,107 (b)	1,591	31,650	32,566	31,650	31,650
5	Public toilets	31,650 (c)	6,330	6,330	6,330	6,330	6,330
6	Modernization of St Vincent de Paule Hospital	84,400 (d)	4,941	16,159	21,100	21,100	21,100
7	Modernization of St Bartholomew Hospital	18,990 (e)	307	6,023	6,330	6,330	—
8	Modernization of Gozo Hospital ...	84,930 (f)	6,680	17,370	16,970	16,970	26,940
9	Equipment for new laundry at the Hospital for Mental Diseases ...	40,900 (g)	100	4,900	35,900	—	—
10	New laundry equipment at St Luke's Hospital	12,310 (h)	100	12,210	—	—	—
11	Extension of kitchen at Hospital for Mental Diseases	13,195 (i)	2,500	10,695	—	—	—
12	New kitchen equipment at Hospital for Mental Diseases	33,300 (j)	100	4,900	5,000	23,300	—
13	Construction of new laundry at Hospital for Mental Diseases	9,321 (i)	1,000	1,000	7,321	—	—

(a) Of which £7,140 available from 1959/64 Plan.
(b) Of which £391 available from 1959/64 Plan.
(c) Of which £9 available from 1959/64 Plan.
(d) Of which £4,941 available from 1959/64 Plan.
(e) Of which £307 available from 1959/64 Plan.
(f) Of which £1,793 available from 1959/64 Plan.
(g) Of which £11,250 available from 1959/64 Plan.
(h) Of which £10,199 available from 1959/64 Plan.
(i) Available from 1959/64 Plan.
(j) Of which £8,803 available from 1959/64 Plan.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
14	New boiler plant at Hospital for Mental Diseases	16,840	100	16,740	—	—	—
15	Construction of an X-Ray Unit ...	21,421 (a)	21,421	—	—	—	—
16	Kitchen equipment at St Vincent de Paule Hospital	26,800 (b)	100	6,700	20,000	—	—
17	Bus shelter and latrine opposite St Luke's Hospital	6,000 (a)	6,000	—	—	—	—
18	Refuse pulverising plant	89,413 (a)	52,132	20,000	17,281	—	—
19	School for nurses (Construction) ...	3,673 (a)	3,673	—	—	—	—
20	School for nurses (Equipment) ...	9,558 (a)	9,558	—	—	—	—
21	Quarters for doctors and students (Construction)	3,577 (a)	3,577	—	—	—	—
22	Quarters for doctors and students (Equipment)...	5,000 (a)	1,500	3,500	—	—	—
23	Central medical store (Construction)	231 (a)	231	—	—	—	—
24	Central medical store (Equipment) ...	171 (a)	171	—	—	—	—
25	Modernization of T.B. Wing St Vincent de Paule Hospital	14,560 (a)	14,560	—	—	—	—
26	Construction of a dumping pit ...	109 (a)	109	—	—	—	—
	TOTALS	1,041,231	143,921	213,037	244,758	239,045	200,470

(a) Available from 1959/64 Plan.

(b) Of which £4,890 available from 1959/64 Plan.

HOUSING

Total Allocation — £990,109

The housing problem in the Island still remains acute despite Government's considerable contribution in the last plan to alleviate the situation. A study has been carried out of the housing position and it has been estimated that if the number of dwelling units were not increased the housing shortage at the end of 1968 would be around 3,800, after taking into full account the anticipated reduction in Service families, and an increase in the tempo of emigration.

2. Private investment in housing is however expected to be of the order of £7 5 million during the quinquennium and this investment should go a long way towards improving the housing situation as a whole. Private investment will not, however, have a substantial impact on housing conditions of the lower income group who are not in a position to pay commercial rents. Government has to continue to finance certain housing schemes.

3. The housing policy in the preceding plan was based on the recommendations of a housing expert who carried out a survey in 1955, as amended by the Housing Census held in 1957. The allocations made in this plan broadly aim at the same policy. The Government housing programme is expected to provide about 135 new dwelling units under the Rental Housing Scheme and 24 under the Reconstruction Scheme for Cottonera. The schemes of assistance envisaged under the plan provide for a further 360 units (200 under the Second Storey Scheme and 160 under the Home Ownership Scheme) the cost of which will be partly financed by beneficiaries under these schemes.

4. Apart from combining the Rental Housing and Second Storey Schemes, a Home Ownership Scheme for Government serviced plots at Santa Lucia and the new community at Msierah is being launched. The scheme is designed to encourage home ownership and at the same time to lease out a number of the 300 plots which have been serviced at Government expense at Santa Lucia and Msierah.

5. Provision has also been made for the contribution of the reconditioning of sub-standard houses scheme which have proved to be very successful and which has helped considerably in turning a large number of slum dwellings all over the Island into modern hygienic habitations.

6. Funds are also being provided to complete reconstruction work in the Cottonera area. Provision is also made for administration expenses connected with the above schemes.

DETAILS OF SCHEMES

Item 1. *Reconditioning of sub-standard houses* £100,000

The need for better housing conditions in various parts of the Island still exists. The Reconditioning Scheme has been very successful and it is proposed to continue the process by providing £20,000 per annum for improvements to some 280 units. Grants not exceeding £70 are made for the provision of adequate sanitary facilities, better ventilation, measures against dampness, etc.

Item 2. *Home ownership scheme* £150,000

The scheme will be limited to Government serviced plots at Santa Lucia and the Msierah new communities. The total assistance will be £900 made up of £250 grant and £650 loan repayable over a period of 25 years at 6% interest yearly. The provision will cover about 160 units.

Item 3. *Erection of second storeys* £150,000

This is a continuation of the scheme started in 1955 to provide encouragement for owners to build a second storey as a separate housing unit, thus effecting more economic utilization of land. Provision is made in grant and loan assistance for the erection of about 20 units. Total assistance is limited to £750 per unit made up of £200 grant and £550 loan repayable over 15 years at 3% per annum interest.

Item 4. *Rental housing* £180,000

Item 5. *Servicing of sites* £56,000

Item 6. *Acquisition of sites* £56,000

Provision is made for the erection of about 100 new dwelling units at Msierah and 35 new dwelling units at Floriana.

Item 7. *Housing and reconstruction scheme (Cottonera)* £180,000

Certain reconstruction schemes in the Cottonera area are still outstanding and this provision is intended to bring these schemes to completion. The works include: the erection of 5 blocks of buildings containing 24 dwellings and the development of other sites in Cospicua; the replanning of roads and open spaces; repairs to war-damaged tenements and other works.

Item 8. *Administration expenses* £105,000

This provision has been made to meet the cost of administrative work connected with the schemes included in this Chapter.

Item 9. *Repairs to war-damaged Government tenements* £6,513

Item 10. *Reinstatement of derequisitioned houses* £6,407

Item 11. *Solar energy research* £189

Provision is made for the completion of these projects. The amounts are carried over from the 1959/64 Plan.

HOUSING

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure 1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	Reconditioning of sub-standard houses	100,000	10,000	20,000	20,000	20,000	30,000
2	Home-ownership scheme	150,000	25,500	45,500	25,000	40,000	14,000
3	Second-storey scheme	150,000 (a)	72,625	50,500	26,875	—	—
4	Rental housing scheme	180,000 (b)	100,000	80,000	—	—	—
5	Servicing of sites	56,000 (c)	40,000	16,000	—	—	—
6	Acquisition of sites	56,000	56,000	—	—	—	—
7	Housing and Reconstruction (Cottoners)	180,000	—	36,000	36,000	108,000	—
8	Administration expenses	105,000	21,000	21,000	21,000	21,000	21,000
9	Repairs to war-damaged Government tenements	6,513 (d)	2,000	4,513	—	—	—
10	Reinstatement of derequisitioned houses	6,407 (d)	3,000	2,000	1,407	—	—
11	Solar energy research	189 (d)	189	—	—	—	—
	TOTALS	990,109	330,314	275,513	130,282	189,000	65,000

(a) Of which £1,993 available from 1959/64 Plan.
(b) Of which £50 available from 1959/64 Plan.
(c) Of which £23,012 available from 1959/64 Plan.
(d) Available from 1959/64 Plan.

SEWERS

Total Allocation — £1,838,820

In 1901 a scheme for the gradual and systematic sewerage of the Island was drawn up. By 1959 when the preceding development plant came into operation, about sixty per cent of Malta had proper waterborne sewerage. Provision was made in that plan to increase this coverage to eighty per cent. most of the programme planned was carried out. This plan provides for the continuation of this scheme. It is hoped that by the end of 1968/69 the sewerage coverage will be raised to ninety per cent.

2. The need now is not only limited to the extension of the sewerage system but also to the replacement in certain localities of the interceptors, pumping mains and pumping stations by others of higher capacity in order to meet the increased volume of effluent. In certain areas there is already an overflowing of the effluent. In view of the intensive development plan the provision of an efficient sewerage system is of some importance.

3. The plan provides for the continuation of sewerage works already in hand in various localities and for the extension of the service to some of the localities which are sewered by cesspits, which tend to overflow into the streets endangering public health. The programme of works includes the laying of street sewers as well as the provision of sewerage interceptors to take the effluent from the village sewers to the main sewers.

4. The existing diesel pumping plants at Gżira and Għajn Dwieli Pumping Stations are inadequate to cope with the increased flow resulting from the works undertaken during the last few years and those to be carried out under the Plan. Moreover, the pumping plant at Għajn Dwieli is old and is past its useful life. Provision is therefore being made for the remodelling of the Gżira Pumping Station and the laying of a new pumping main, and for the replacement of all pumping machinery at Għajn Dwieli Pumping Station.

5. Provision has also to be made for the erection of a pumping station at Victoria and of ejector stations at Fontana, Nadur, and Xagħra, Gozo to raise the sewage from low lying areas in these localities to the main sewer, thus making possible the extension of the sewerage system to these areas.

6. During these last years, there has been a considerable building development of the villa type in the important seaside resort of St Paul's Bay. The area has also considerable tourist attraction. It is therefore planned to carry out during this plan period the scheme for the disposal of sewerage in this area.

7. An attempt will be made to utilize sewage for production purposes by introducing sewage purification with the aim of making available water for the irrigation of crops. Experimental plants will be installed at Għammieri and near Anchor Bay. The latter will serve to treat sewage now being discharged untreated into the sea.

Provision is also made for a sewage treatment scheme in Malta. A report was drawn up by consultants in 1957 to advise on the possibilities of introducing sewage treatment but further study of the scheme will be undertaken by a United Nations expert to ascertain the economic feasibilty of the scheme before embarking on the actual works.

DETAILS OF SCHEMES

MALTA

Item 1. *Laying street sewers at Birkirkara, Lija Attard, Balzan* £34,815

This provision is meant to complete the drainage extension in this area.

Item 2. *Laying street sewers at Birżebbuġa* £75,960

This provision is meant to complete sewerage of Birżebbuġa.

Item 3. *Laying street sewers at Bubaqra* £10,550

A start will be made on sewerage works in this village.

Item 4. *Laying street sewers at Fgura* £25,320

Sewerage of this locality will be taken in hand and completed during the plan period. The provision covers the cost of the whole project.

Item 5. *Laying street sewers at Kalkara* £15,825

By 1968/69, about 80% of this locality will have been sewered.

Item 6. *Laying street sewers at Kirkop* £14,770

This will provide for about 45% of the sewerage of the village.

Item 7. *Laying street sewers at Naxxar* £580

This provision has been taken to meet outstanding claims due to contractors.

Item 8. *Street sewers at Mellieħa* £32,705

Item 9. *Street sewers at Mosta* £12,130

The two villages will be sewered by 1968/69.

Item 10. *Street sewers at Mqabba* £31,650

A start will be made on sewerage works in this village.

Item 11. *Street sewers at Msieraħ* £5,275

The whole village will be sewered by 1964/65.

Item 12. Street sewers at Nigret £11,605

Sewerage will be initiated in this village.

Item 13. *Street sewers at Paola* £21,100

A considerable extension of the sewerage system has been rendered necessary by the rapid development of this town during the post-war period. The amount provided will complete the sewerage of the existing development area.

Item 14. *Street sewers at Qormi* £14,770

The provision covers the laying of street sewers along Mdina Road and Wied il-Kbir.

Item 15. *Street sewers at Qrendi* £27,430

A start will be made on sewerage works in this village.

Item 16. *Street sewers at Safi* £32,705

By the end of the Plan, about 66% of the scheme will be completed.

Item 17. *Street sewers at St Julian's* £8,450

The scheme covers the provision of an ejector sewer as well as the laying of surface sewer along Grenfell Street.

Item 18. *Street sewers at Tal-Virtù* £15,825

Sewerage will be provided in about 66% of the whole housing scheme in the locality.

Item 19. *Street sewers at Ta' Xbiex* £52,750

Sewerage of this residential area will be completed by the end of the Plan.

Item 20. *Street sewers along Valley Road, B'Kara* £17,550

The scheme will be completed in 1965/66.

Item 21. *Street sewers at Żabbar* £18,990

Works will be completed by 1969.

Item 22. *Street sewers at Żurrieq* £36,925

A start will be made on the street sewers in this village.

Item 23. *Sewerage and sewage disposal, St Paul's Bay (Phase I)* £110,775

This scheme contemplates the sewerage of St Paul's Bay, one of the most popular summer resorts in the Island and a tourist attraction. This locality has become a regular residential area in winter wth a population of 5,000 persons. The summer influx raises this figure to over 15,000. Owing to the overflowing of cesspits into the main traffic roads and into popular bathing spots, it has become imperative for sewerage of the localty to be taken in hand.

The whole work comprises the laying of a main sewer and street sewers, the construction of a pumping station and the installation of ejectors to cope with the low lying areas. The plan provision covers only one third of the scheme and it is expected that by 1969 the main pumping station and a number of ejectors will be in operation and about 20% of St Paul's Bay will be sewered.

Item 24. *Laying interceptor between B'Kara and Qormi* £20,040

This provision covers completion of this scheme which is meant to remedy the flooding of the B'Kara sewerage system during heavy rains.

Item 25. *Laying interceptor between Bubaqra and Żurrieq* £20,045

A start will be made on this scheme.

Item 26. *Laying interceptor between Gudja and Kirkop* £21,100

The provision wil cover the complettion of this scheme.

Item 27. *Laying interceptor between Kirkop and Safi* £7,689

This provision is required to complete the project.

Item 28. *Laying interceptor between Kirkop and Żurrieq* £26,375

Item 29. *Laying relief interceptor between Kirkop and Mqabba* £47,475

Item 30. *Laying relief interceptor between Mqabba and Qrendi* £26,375

These sewerage works will be taken n hand and completed by the end of the Plan.

Item 31. *Laying interceptor between Nigret and Żurrieq* £20,045

A start will be made on the laying of the interceptor.

Item 32. *Overhauling main sewer at Sliema* £50,650

Provision is made to complete the works.

Item 33. *Pumping Plant and alterations to Gżira Pumping Station* £100,225

The existing diesel pumping plant is wholly inadequate to cope with the increasing flow from this fast developing area. Provision is therefore being made for the remodelling of the pumping station, the laying of a new main and the replacement of machinery by automatic pumping plant.

Item 34. *Pumping Plant for Ghajn Dwieli Pumping Station* £36,925

Structural alterations to the Pumping Station will be carried out. All pumping machinery in the station is past its useful life and provision is made for its replacement by automatic pumping plant capable of dealing with flooding during heavy rains. This will necessitate structural alterations to the pumping station.

Item 35. *Sundry extension and refunds of deposits* £55,500

This is a block provision for small extensions to be made in towns and villages already sewered.

Item 36. *Sewerage treatment plant at Anchor Bay* £10,550

This scheme has the character of an experiment in sewage treatment. It covers the purchase and installation of a plant for the treatment of sewage before it is discharged into the sea.

Item 37. *Experimental plant at Għammieri* £10,550

This is also an experimental scheme. It contemplates the purchase of a small full scale treatment plant, to be installed at the Ghammieri farm, for the treatment of a small quantity of sewage diverted from Luqa, which would then be gravitated to the Government Experimental Farm to irrigate fodder crop. Systematic chemical and bacteriological analysis would then be made of the sewage, the effluent and the soil, and the effect of the effluent on the soil and its products.

Item 38. *Sewage treatment plant (Phase I)* £209,197

As stated, an attempt is being made to utilize sewage for production purposes by introducing sewage purification with the aim of making available water for irrigation of crops. Provision is being made for experimental plants to be installed and operated (see items 36 and 37). A report on the possibility of introducing a sewage treatment scheme was drawn up by consultants in 1957, but further study of the scheme will be undertaken by a United Nations expert to ascertain the economic feasibility of the project before embarking on the actual works. Should this scheme be successful, 1m. gallons a day of treated water will be available for irrigation. The total cost of this project is £527,500.

Item 39. *Extension of sewer along Spinola Road, St. Julian's* £1,593

Item 40. *Remodelling ejector at Marina Area* £7,628

Item 41. *Laying relief interceptor for sewerage schemes* £875

These provisions are meant to complete works on these projects. The amounts are "carry-overs" from the 1959/64 Plan.

GOZO

Item 42. *Laying street sewers at Fontana* £10,550

This provision is meant to cover the cost of laying street sewers in this village.

Item 43. *Laying street sewers at Għajnsielem* £9,525

Works on this new scheme will be completed in 1965/66.

Item 44. *Laying street sewers at San Lawrenz, Għasri and Għarb* £71,770

Works on this scheme will be phased over a period of four years starting in 1965/66.

Item 45. *Laying street sewers at Kerċem* £17,965

This is a new scheme and the works will be phased over the years 1965/66 and 1966/67.

Item 46. *Minor extensions in serviced areas* £15,825

The provision covers works of a minor nature in areas already sewered.

Item 47. *Laying street sewers at Nadur* £34,270

This is a continuation of works taken in hand during the preceding Plan.

Item 48. *Laying street sewers at Qala* £42,200

This scheme was originally included in the first plan but works could not be carried out before the laying of interceptor sewers between Qala and Għajnsielem.

Item 49. *Laying street sewers at Sannat* £5,275

This is continuation scheme of the one in the first Plan.

Item 50. *Laying street sewers at Victoria* £5,275

A start on this scheme will be made in the last year of the Plan.

Item 51. *Laying street sewers at Xagħra* £63,340

This work is now possible as the interceptor between Victoria and this village has now been laid.

Item 52. *Laying street sewers at Xewkija* £603

This is a "carry-over" from the 1959/64 plan.

Item 53. *Laying street sewers at Żebbuġ* £26,375

This is a continuation of the scheme taken in hand in the first Plan.

Item 54. *Laying interceptor between Munxar and Fontana* £4,220

The scheme covers the connection of the street sewer between Munxar and Fontana.

Item 55. *Laying interceptor between San Lawrenz and Wied il-Mielaħ* £61,725

This scheme contemplates the laying of an interceptor for the village of San Lawrenz, Għasri and Għarb to an outfall at Wied il-Mielaħ.

Item 56. *Laying interceptor between Xagħara and Victoria* £35,800

This is a continuation of the scheme taken in hand in the first plan.

Item 57. *Laying interceptor between Żebbuġ and Għasri* £18,990

The provision is meant for the connection of the street sewers at Żebbuġ down to the interceptor at Għasri leading to the outfall at Wied il-Mielaħ.

Item 58. *Pumping station at Victoria* £21,100

The project contemplates the erection of a pumping station to raise the sewage from low-lying areas to the main gravity sewer.

Item 59. *Ejector station at Fontana* £8,435

Item 60. *Ejector station at Nadur* £8,435

Item 61. *Ejector station at Xagħra* £10,545

The provisions cover the erection of ejector stations to raise the sewage from the low lying to the main sewer.

Item 62. *Renewing gallaries and shafts* £53,805

The project covers the renewal and realignment of the drainage gallaries and shafts in the vicinity of Mġarr ix-Xini.

Item 63. *Laying interceptor from Qala to Għajnsielem* £11,500

Works on this new scheme will be completed in 1965/66.

SEWERS

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
	MALTA						
1	Laying street sewers at B'Kara, Lija, Attard, Balzan	34,815	6,330	7,385	6,330	6,330	8,440
2	Laying street sewers at B'Bugia ...	75,960 (a)	16,330	21,100	15,825	11,100	11,605
3	Laying street sewers at Bubaqra ...	10,550	—	—	—	5,275	5,275
4	Laying street sewers at Fgura ...	25,320 (b)	4,220	5,275	5,275	5,275	5,275
5	Laying street sewers at Kalkara ...	15,825	—	3,165	3,165	4,220	5,275
6	Laying street sewers at Kirkop ...	14,770 (c)	5,275	5,275	4,220	—	—
7	Laying street sewers at Naxxar ...	580 (d)	580	—	—	—	—
8	Laying street sewers at Mellieha ...	32,705 (e)	6,330	6,330	6,330	6,330	7,385
9	Laying street sewers at Mosta ...	12,130 (f)	5,275	6,855	—	—	—
10	Laying street sewers at Mqabba ...	31,650	2,500	2,775	5,275	5,275	15,825
11	Laying street sewers at Msierah ...	5,275 (g)	5,275	—	—	—	—
12	Laying street sewers at Nigret ...	11,605	—	—	—	5,275	6,330
13	Laying street sewers at Paola ...	21,100	—	4,220	4,220	4,220	8,440
14	Laying street sewers at Qormi ...	14,770	8,440	6,330	—	—	—
15	Laying street sewers at Qrendi ...	27,430	2,500	4,775	7,275	6,500	6,380
16	Laying street sewers at Safi ...	32,705	2,500	5,940	8,440	8,440	7,385
17	Laying street sewers at S, Julian's	8,450	8,450	—	—	—	—
18	Laying street sewers at Tal-Virtù ...	15,825 (h)	5,275	5,275	5,275	—	—
19	Laying street sewers at Ta' Xbiex	52,750 (i)	10,550	10,550	10,550	10,550	10,550
20	Laying street sewers at Valley Road, B'Kara	17,550 (j)	14,648	2,902	—	—	—
21	Laying street sewers at Żabbar ...	18,990	—	3,165	6,330	6,330	3,165
22	Laying street sewers at Żurrieq ...	36,925	3,050	5,390	8,440	8,440	11,605
23	Sewerage and Sewage Disposal — St Paul's Bay	110,775	10,550	16,375	31,650	21,100	31,100
24	Laying interceptor B'Kara/Qormi ...	20,000	4,000	7,600	4,220	4,220	—

(a) Of which £34 available from 1959/64 Plan.
(b) Of which £5,000 carried forward from 1959/64 Plan.
(c) Of which £36 available from 1959/64 Plan.
(d) Available from 1959/64 Plan.
(e) Of which £301 available from 1959/64 Plan.
(f) Of which £2 available from 1959/64 Plan.
(g) Of which £1,000 available from 1959/64 Plan.
(h) Of which £162 available from 1959/64 Plan.
(i) Of which £10,000 carried forward from 1959/64 Plan.
(j) Of which £10,598 available from 1959/64 Plan.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
25	Laying interceptor Bubaqra/Żurrieq	20,045	—	—	6,230	6,330	7,385
26	Laying interceptor Gudja/Kirkop ...	21,100 (a)	3,044	5,275	6,000	6,781	—
27	Laying interceptor Kirkop/Safi ...	7,689 (b)	7,689	—	—	—	—
28	Laying interceptor Kirkop/Żurrieq...	26,375	—	6,330	6,330	7,385	6,330
29	Laying interceptor Kirkop/Mqabba...	47,475	—	10,550	10,550	10,825	15,550
30	Laying interceptor Mqabba/Qrendi...	26,375	—	6,330	6,330	7,385	6,330
31	Laying interceptor Nigret/Żurrieq ...	20,045	—	3,165	6,330	3,165	7,385
32	Overhauling sewer at Sliema ...	50,650 (c)	21,100	10,550	7,000	6,000	6,000
33	Pumping plant and alteration to Gzira Pumping Station	100,225	—	16,925	31,650	31,650	20,000
34	Pumping plant for Għajn Dwieli Pumping Station	36,925	—	7,385	8,440	21,100	—
35	Sewage extension and refunds of deposits	55,500 (d)	5,000	12,600	12,600	12,600	12,700
36	Sewage treatment plant at Anchor Bay	10,550	5,275	5,275	—	—	—
37	Experimental plant at Għammieri	10,550	5,275	5,275	—	—	—
38	Sewage treatment plant	209,197 (e)	—	—	60,000	70,000	79,197
39	Extension of sewer along Spinola Road St Julian's	1,593 (b)	1,593	—	—	—	—
40	Remodelling ejector at Marina Area	7,628 (b)	7,628	—	—	—	—
41	Laying relief interceptor for sewerage schemes	875 (b)	875	—	—	—	—

(a) Of which £3,044 available from 1959/64 Plan.
(b) Available from 1959/64 Plan.
(c) Of which £18,348 available from 1959/64 Plan.
(d) Of which £2 available from 1959/64 Plan.
(e) Total cost of project — £527,500.

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
	GOZO						
42	Laying street sewers at Fontana ...	10,550	—	—	—	5,275	5,275
43	Laying street sewers at Għajnsielem	9,525	—	9,525	—	—	—
44	Laying street sewers at San Lawrenz, Għasri and Għarb	71,770	—	15,825	15,825	21,770	18,350
45	Laying street sewers at Kerċem ...	17,965	—	8,440	9,525	—	—
46	Minor extension in serviced areas ...	15,825 (a)	3,165	3,165	3,165	3,165	3,165
47	Laying street sewers at Nadur ...	34,270 (b)	8,000	9,525	10,220	6,525	—
48	Laying street sewers at Qala ...	42,200	—	10,550	10,550	10,550	10,550
49	Laying street sewers at Sannat ...	5,275 (c)	5,275	—	—	—	—
50	Laying street sewers at Victoria ...	5,275	—	—	—	—	5,275
51	Laying street sewers at Xagħra ...	63,340	15,825	15,825	13,725	9,525	8,440
52	Laying street sewers at Xewkija ...	603 (d)	603	—	—	—	—
53	Laying street sewers at Żebbuġ ...	26,375	—	—	17,375	9,000	—
54	Laying interceptor Munxar/Fontana	4,220	—	—	—	—	4,220
55	Laying interceptor San Lawrenz/ Wied il-Mielaħ	61,725 (e)	9,000	15,825	15,825	14,250	6,825
56	Laying interceptor Xagħra/Victoria	35,800 (f)	10,550	10,550	4,200	5,500	5,500
57	Laying interceptor Żebbuġ/Għasri ...	18,990	—	8,440	4,440	5,000	—
58	Pumping station at Victoria ...	21,100	—	5,275	6,275	5,275	4,275
59	Ejector station at Fontana	8,435	—	4,220	3,165	1,050	—
60	Ejector station at Nadur	8,435	—	2,110	6,325	—	—
61	Ejector station at Xagħra	10,545	1,050	4,220	5,275	—	—
62	Renewing galleries and shafts ...	53,805 (g)	1,186	16,880	11,550	12,550	11,639
63	Laying interceptor from Qala to Għajnsielem	11,500 (h)	5,000	6,500	—	—	—
	TOTALS	1,838,820	239,211	367,217	432,930	411,536	387,926

(a) Of which £4,920 available from 1959/64 Plan.
(b) Of which £9,482 available from 1959/64 Plan.
(c) Of which £1,122 available from 1959/64 Plan.
(d) Available from 1959/64 Plan.
(e) Of which £17,414 available from 1959/64 Plan.
(f) Of which £11,485 available from 1959/64 Plan.
(g) Of which £1,186 available from 1959/64 Plan.
(h) Of which £10,960 available from 1959/64 Plan.

PUBLIC BUILDINGS AND SUNDRY OTHER WORKS AND SERVICES

Total Allocation — £3,799,464

In any development plan there is a residue of items which cannot be classified under the existing functional headings. Such projects have therefore to be grouped in an "omnibus" chapter, which by its very character covers not only works but also certain services properly chargeable to the capital investment programme.

2. The amount shown under this head is particularly large because apart from the usual miscellaneous buildings and other works and services, provision is being made for the following three major projects, which between them cover an estimated expenditure of £2,716,867 (i.e. National Theatre and Conference Hall — £1,700,000; Rebuilding of the Law Courts — £500,000; Outstanding Acquisitions of Property — £516,867).

3. The biggest single project is the provision for a National Theatre and a Conference Hall on the site formerly occupied by the Royal Opera House, completely demolished by enemy action in the last war. Experts on tourist development have invariably laid stress on the need of creating night entertainment; under current conditions night life in Malta is conspicuous by its absence. Now that the Island is to boast of a first class hotel run by Hilton, the need of providing first class night entertainment for the highly sophisticated tourist cannot be overstressed. This lacuna can be overcome to a great extent by the construction of a National Theatre which is a cultural centre and a tourist attraction par excellence. The building would also comprise a hall where international conferences and other major social, cultural and educational functions could be held. Other major building projects included under this miscellaneous head are the reconstruction of the Law Courts, another relic of the war and the construction of two civic centres.

4. Provision had to be made under this Chapter for the cost of outstanding acquisitions in respect of development projects undertaken during the last few years (in addition to the specific provisions made under the Roads and Education — Primary and Grammar — Chapters). Compensation is also due to owners of war-damaged property acquired by the Government in connection with reconstruction schemes in war-damaged areas. This property is held under "use and possession" and "public tenure" terms in accordance with the provisions of the Land Acquisition (Public Purposes) Ordinance, 1935.

5. Funds are also being earmarked for the acquisition of offices and residences, and for furnishing such buildings, which are intended to house Maltese representatives in foreign countries.

DETAILS OF SCHEMES

Item 1. *A National Theatre and a Conference Hall* £1,700,000

The Royal Opera House was destroyed by enemy action during the war and this cultural centre has not yet been rebuilt as the reconstruction of completely destroyed towns and villages and the rebuilding of a substantial number of privately-owned war-damaged houses had to be given priority. An attempt was made in 1962 to undertake the first phase of the project but the moneys allocated for this purpose had to be redirected to other projects due to protracted negotiations for the release of the necessary funds. As explained in the introduction to this Chapter the provision of a National Theatre and a concert hall which will provide one of the few night entertainments in these Islands cannot be deferred if a serious lacuna in our limited attractions to tourists is to be filled. There is also a dire need for a large conference hall where international conferences, and other major social, cultural and educational functions could be held. The project will provide such an accomodation as it will include a hall which could be used for such gatherings as well as for concerts and other entertainments. Provison is being made for the whole cost of the project which will comprise the erection of a place of entertainment overlying a concert hall, the formation or a new square on entering Valletta and the construction of outbuildings. Provision for the improvement of the approaches to Valletta through Kingsgate, which also forms part of the project, was made under the 1959/64 Plan.

Item 2. *Rebuilding of Law Courts* £500,000

The buiding houses the Law Courts was also destroyed during the war and has not so far been rebuilt due mainly to planning difficulties. These have now been overcome and a start on the clearance of the site was made during the course of the last plan. Construction works proper are expected to be taken in hand during the first year of the Plan. The new building will accommodate maily the Superior Courts and the Courts of Judicial Police. The plan is also designed to accommodate the Valletta Police Station and the major legal departments now housed in separate dwellings. A limited car park will be provided.

Item 3. *Reinstatement of Connaught Hospital* £15,000

This 17th century buildings was formerly the Palace of Grand Masters in the old capital city of Malta, Notabile, and is of great historical importance. Due to the clayey nature of the sub-soil, a section of the building has development serious cracks, and urgent repairs are required if this historic palace is not to become a total loss. The building will eventually be used to house the new Natural History and Folk Museum, provision for which is made under the Antiquities Chapter.

Item 4. *New offices for the Public Works and Statistics Departments* £218,000

The Public Works Department is very badly accommodated. In fact it is housed in three separate buildings none of which was constructed for use as a department of Government. Although an attempt has been made to include in each buildng as much as possible a self-contained unit, owing to the progressive increase in the staff, the present distribution leaves much to be desired and is not conducive to efficiency. This is one of the means which militate against a higher productivity and a better turn out of work. The need for the construction of a new office for the Public Works Department has been felt for some time and as a matter of fact such a provision was included in the first Plan. The allocation for this work was eventually left out for lack of funds. Considering that it is now necessary to carry out a thorough and more rational reorganization of the Department in order to increase substantially its absorptive capacity, it is essential in the first place to provide a building constructed explicity for a works department.

The Central Office of Statistics, which is also the Electoral Registry, is also housed in two old buildings. To provide space for the electronic calculator, tabulators, sorters and other punched card machines, a courtyard had to be roofed. The staff are working in very unsatisfactory conditions and the position as a whole is not conducive to efficiency, as many offices are overcrowded. The limited accomodation available is also hindering expansion. It is therefore intended to construct an office block with suitable accommodation for the various sections of the Department on a demolished site at Kingsgate.

Item 5. *Traffic Improvements, Gozo* £377

This is a "carry-over" from the 1959/64 Plan.

Item 6. *Construction of two Civic Centres* £80,000

Public offices in the various towns and villages are housed in separate premises situated in different areas. This arrangement is not conductive to efficiency. The centralization of these offices in one building would ensure a saving in recurrent costs and a more efficient service. The scheme will have to be phased over a number of years. Provision is being made in this Plan for the construction of two civic centres. The buildings will accommodate the following public offices:—

(a) Police Station;
(b) Labour and Social Service Office;
(c) Health Office;
(d) Post Office;
(e) Savings Bank;
(f) Water and Electricity District Office;
(g) Public Works Office.

Item 7. *Repairs to Government churches* £30,000

The provision will cover repairs to the following churches damaged by enemy action:—

(a) St Catherine of Italy Church, Valletta.
(b) Victory Church, Valletta;
(c) Sarria Church, Valletta;
(d) Maddalena Church, Valletta;
(e) St James Church, Valletta;
(f) Tal-Pilar Church, Valletta;
(g) St Rocco Chapel, Bosketto;
(h) Chapel of the Addolorata Cemetery.

Item 8. *Construction of children's playgrounds (Malta)* £45,000

Malta's towns and villages lack open spaces where children can play in safety. The volume of traffic on the roads on the other hand has increased to such an extent that effective measures have to be taken to keep children off the roads. A scheme was instituted in 1957/1958 with the aim of providing a children's playground in every town and village, where the children can safely enjoy healthy exercise. The scheme is worked in co-operation with the Malta Playing Fields Association. Government provides the site and prepares the ground while the Association supplies the aquipment and supervises generally the playing fields. Provision has also been made in the Plan for the continuation of this scheme.

Item 9. *Water proofing of grain fossae* £28,000

Up to a few years ago, wheat used to be stored in fossae, i.e. underground pits constructed for this specific purpose by the Knights of Malta in the sixteenth century. With the construction of the grain silo, it was thought that the storage of wheat in the fossae would no longer be necessary. Experience has shown that the quantity of wheat normally held on the island is in excess of the capacity of the grain silo. It is therefore considered advisable that all the fossae at Valletta and Floriana should be rendered waterproof and airtight in order that they may be used again for wheat storage. The fossae can take 15,300 tons of wheat whereas the new silo can take 12,500 tons.

The provsion taken covers the estimated cost of rendering the fossae waterproof and airtight.

Item 10. *Purchase of machinery and equipment for the Department of Information* £19,800

The existing backlong and the ever-increasing volume of printing and ancillary work in the Production Division of the Department of Information make it necessary to provide the following additional machinery and equipment:—stitching machine, platen machines, a ludlow machine and binding equipment. In the Films Section the Department needs a mobile cinema (to do away with the present arrangement of using the vans of other Departments, which has proved unsatisfactory) and equipment for the film recording studio. Provision for the equipment is included in the Plan.

Item 11. *Repairs to Valletta Market* £26,000

The roof of the Valletta Market is in a dangerous state. This provison is intended to eliminate this danger and at the same time make the place more hygienic.

Item 12. *Sundry Minor Works* £50,000

There is a long list of building and works which are in many ways desirable but which could not be carried out for lack of funds. Provision is being made for a number of such works to be taken in hand. Priorities will be established and the projects worked out as the annual estimates are planned.

Item 13.	*Buildings and furnishngs for missions abroad*	£260,000

With the attainment of independence it is essential to set up missions in certain foreign countries. With the money being provided it is proposed to acquire buildings to be used as offices and residences and to furnish such premises.

Item 14.	*Administration expenses*	£100,000

This covers personnel and administration expenses related to the works to be undertaken under this Chapter.

Item 15.	*Outstanding acquisition of property*	£516,867

Provision is being made to meet outstanding claims for the payment of compensation to owners whose property was acquired in connection with the execution of captal works and in respect of which the deed of acquisition has not yet been published. This amount is in addition to the provision made for outstanding acquisition under the Roads and Education (Primary and Grammar) Chapter. This provision covers also that part of the cost of acquiring war-damaged property held on "use and possession" and "public tenure" terms in accordance with the Land Acquisition (Public Purposes) Ordinance, 1935 which is expected to come up for payment during the plan period.

Item 16.	*Silver Jubilee Sports Ground*	£12,404

Erection of a covered stand and provision of accommodation for spectators in this Sports ground.

Item 17.	*New market at Victoria*	£15,000

Construction of a covered market place at Victoria to accomodate hawkers now carrying on business at It-Tokk.

Item 18.	*Construction of a new Police Station* (*Gozo*)	[illegible]4,000

Provision is being made for the erection of a Police Station according to Police requirements.

Item 19.	*Construction of children's playgrounds* (*Gozo*)	£15,000

(see Item 8)

Item 20.	*Erection of cold storage centre* (*Gozo*)	£12,000

No facilities for cold storage exist in Gozo and all foodstuffs requiring cold storage are stored in primitive conditions. It is therefore proposed to provide suitable cold storage facilities.

Item 21. *Marsalforn Wharf* £2,500

It is intended to construct a wharf at Marsalforn for the purpose of mooring the mail and passenger vessel during winter when the southerly winds make it impossible for the ship to berth at Mġarr. The wharf will also be used by light craft during the summer.

Item 22.	*New jetty at Saint Paul's Bay*	£35,000
Item 23.	*Air Terminal extension*	£9,840
Item 24.	*Mosta Civic Centre*	£20,431
Item 25.	*Extension of kitchen at St Vincent de Paul Hospital*	£3,377
Item 26.	*Car park at St John's Cavalier*	£9,348
Item 27.	*Bus shelter (Gozo)*	£5,433
Item 28.	*Sundry minor improvements (Gozo)*	£7,000
Item 29.	*Police station at Munxar*	£3,000
Item 30.	*St Lawrence landing steps*	£6,687
Item 31.	*Reconstruction of site adjacent to St John's Co-Cathedral* (including £4,000 for furniture and equipment.)	£30,500
Item 32.	*Commercial Post Office*	£1,307
Item 33.	*Bus terminus, Victoria, Gozo*	£9,154
Item 34.	*Square in front of St George's Square, Victoria, Gozo*	£411
Item. 35.	*Government offices at Paola*	£2,968
Item 36.	*Repairs to Upper Barrakka Gardens*	£2,050

Provision is being made for the completion of the above works which were started under the 1959/64 Plan. Funds for these works are carried over from the 1959/64 Plan.

Item 37. *Demolition of building at Paola Square* £3,000

This provision is meant for the acquisition and demolition of a building adjacent to Paola Parish Church. This will complete the scheme for improvements in the area.

PUBLIC BUILDINGS

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure 1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
1	National Theatre and Conference Hall	1,700,000 (a)	—	519,000	380,000	390,000	411,000
2	Rebuilding of Law Courts	500,000 (b)	36,000	118,269	166,231	120,000	59,500
3	Reinstatement of Connaught Hospital	15,000	—	5,000	10,000	—	—
4	New offices for Public Works and Statistics Departments	218,000	—	15,000	60,000	65,000	78,000
5	Traffic improvements (Gozo) ...	377 (c)	377	—	—	—	—
6	Construction of two civic centres ...	80,000	—	—	30,000	30,000	20,000
7	Repairs to Government churches ...	30,000	—	—	9,000	9,000	12,000
8	Construction of children's playgrounds (Malta)	45,000 (d)	5,100	4,500	13,500	8,400	13,500
9	Water proofing of grain fossae ...	28,000	—	—	10,000	9,000	9,000
10	Purchase of machinery and equipment for Department of Information ...	19,800	—	1,600	18,200	—	—
11	Repairs to Valletta Market	26,000	26,000	—	—	—	—
12	Sundry minor works	50,000	10,000	10,000	10,000	10,000	10,000
13	Buildings and furnishings for missions abroad	260,000	54,000	55,000	151,000	—	—
14	Administration expenses	100,000 (e)	20,000	20,000	20,000	20,000	20,000
15	Outstanding acquisition of property	516,867	—	16,664	150,635	147,717	201,851
16	Silver Jubilee Sportsground (Gozo)	12,404 (f)	404	4,000	4,000	4,000	—
17	Market Place at Victoria	15,000	—	—	10,000	5,000	—
18	New Police station in Gozo... ...	4,000	—	—	4,000	—	—
19	Children's playground (Gozo) ...	15,000 (g)	266	3,000	5,734	3,000	3,000
20	Erection of cold storage centre Gozo,	12,000	—	—	2,000	5,000	5,000
21	Marsalforn Wharf, Gozo	2,500	—	—	2,500	—	—

(a) Of which £89,650 carried forward from 1959/64 Plan.
(b) Of which £36,020 available from 1959/64 Plan.
(c) Available from 1959/64 Plan.
(d) Of which £6,282 available from 1959/64 Plan.
(e) Of which £2,032 available from 1959/64 Plan.
(f) Of which £404 available from 1959/64 Plan.
(g) Of which £266 available from 1959/64 Plan.

PUBLIC BUILDINGS (cont.)

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
22	New jetty at St Paul's Bay ...	35,000 (a)	8,000	27,000	—	—	—
23	Air Terminal extension	9,840 (b)	9,840	—	—	—	—
24	Mosta Civic Centre	20,431 (b)	18,000	2,431	—	—	—
25	Extension of kitchen at St. Vincent de Paule Hospital	3,377 (b)	300	3,077	—	—	—
26	Car park at St John's Cavalier ...	9,348 (b)	6,000	3,348	—	—	—
27	Bus shelters (Gozo)	5,433 (b)	2,000	3,433	—	—	—
28	Sundry minor works (Gozo)... ...	7,000 (c)	3,638	3,362	—	—	—
29	Police station, Munxar	3,000 (b)	—	3,000	—	—	—
30	St Lawrence landing steps	6,697 (b)	6,697	—	—	—	—
31	Reconstruction of site adjacent to St John's Co-Cathedral	30,500 (d)	26,500	4,000	—	—	—
32	Commercial Post Office	1,307 (b)	1,307	—	—	—	—
33	Bus terminus, Victoria, Gozo ...	9,154 (b)	4,800	4,354	—	—	—
34	Square in front of St George's Church, Victoria	411 (b)	411	—	—	—	—
35	Government offices at Paola ...	2,968 (b)	2,968	—	—	—	—
36	Demolition of building at Paola Square	3,000	3,000	—	—	—	—
37	Repairs to Upper Barrakka Gardens	2,050	1,000	1,050	—	—	—
	TOTALS	3,799,464	246,608	827,088	1,056,800	826,117	842,851

(a) Carried forward from 1959/64 Plan.
(b) Available from 1959/64 Plan.
(c) Of which £3,638 available from 1959/64 Plan.
(d) Of which £26,500 available from 1959/64 Plan.

WAR DAMAGGE COMPENSATION

Total Allocation — £486,281

The grant of £30 million made available by the British Government in 1943 in respect of War Damage and Reconstruction, proved insufficient to meet all liabilities for war damage compensation. This fund was supplemented in the last plan by moneys from the Colonial Grants and Loans allocation to meet repairs and, when necessary, reconstruction of Government property damaged during the last war. The balance of the fund was retained to meet compensation due for private property. The balance from the original grant is £486,281, and this amount is being "revoted" to continue to meet claims as works are executed. A part of this amount will be used to meet the running expenses of the War Damage Commission.

2. Under the Public Buildings and Sundry Works Chapter, provision is made for the outright purchase of war damaged property for which the Government is paying rental compensation. Provision is made under this Chapter for the payment of rent of such property pending the publication of the deeds of outright acquisition.

WAR DAMAGE

No.	Project	Estimated Expenditure April 1964/ March, 1969	Phasing of Estimated Expenditure				
			1964/65	1965/66	1966/67	1967/68	1968/69
		£	£	£	£	£	£
	War Damage Compensation and connected charges	486,281	451,000	35,281	—	—	—

SECOND FIVE-YEAR PLAN
1964/69

Head	Estimated Expenditure 1964/69	Phasing of Estimated Expenditure				
		1964/65	1965/66	1966/67	1967/68	1968/69
	£	£	£	£	£	£
BASIC SERVICES						
Telephones	367,031	131,239	247,427	177,649	151,946	58,770
Roads	2,660,072	509,894	620,063	540,120	519,870	470,125
	3,427,103	641,133	867,490	717,769	671,816	528,895
ECONOMIC SERVICES						
Water	2,171,590	438,448	528,260	568,460	286,960	349,462
Port	2,234,833	108,689	215,700	218,400	541,820	1,150,224
Electricity	5,319,120	2,073,765	1,518,553	715,554	698,778	312,470
Industrial Development	5,944,000	1,134,000	1,142,000	1,189,000	1,158,000	1,321,000
Tourism	3,634,383	795,333	650,000	927,450	643,975	616,725
Agriculture & Fisheries	1,646,761	315,483	417,613	373,899	297,036	242,730
Milk Marketing Undertaking	363,664	100,814	122,940	91,905	23,515	24,490
Gas	353,425	—	89,675	108,165	79,300	76,285
Technical Education	1,416,965	372,406	277,782	229,475	276,880	260,422
Higher Education	1,209,612	297,287	200,859	243,584	233,969	233,913
	24,294,353	5,636,225	5,164,282	4,665,892	4,240,233	4,587,721
SOCIAL SERVICES						
Education (Primary & Grammar)	2,076,463	180,438	703,404	618,423	421,219	152,979
Antiquities	464,117	25,772	103,840	122,160	94,035	118,310
Health	1,041,231	143,921	213,037	244,758	239,045	200,470
Housing	990,109	330,314	275,513	130,282	189,000	65,000
Sewers	1,838,820	239,211	367,217	432,930	411,536	337,926
Public Buildings and Sundry Works	3,799,464	246,608	827,088	1,056,800	826,117	842,851
	10,210,204	1,166,264	2,490,099	2,605,353	2,180,952	1,767,536
War Damage	486,281	451,000	35,281	—	—	—
TOTALS	38,417,941	7,894,622	8,557,152	7,989,014	7,093,001	6,884,152

EMPLOYMENT PROJECTIONS

	1962	1964/65	1965/66	1966/67	1967/68	1968/69
Agriculture and Fisheries	7,920	7,900	7,900	7,900	7,900	7,990
Construction and quarrying	10,530	8,124	8,086	7,952	7,426	7,300
Manufacturing:						
New Industries	900	1,900	2,450	3,057	3,747	4,563
Dockyard	5,250	5,000	4,750	4,500	4,250	4,000
Other	9,670	9,630	9,547	9,395	9,443	9,619
Transport and communications	[illegible],990	3,972	3,938	3,876	3,896	3,968
Wholesale and retail	11,500	11,452	11,353	10,838	10,632	10,632
Banking and insurance	600	620	630	640	650	660
Private Services:						
Tourism...	1,400	1,780	2,060	2,300	2,920	3,200
Other	6,830	6,801	6,742	6,635	6,669	6,793
Government...	13,530	13,730	13,930	13,930	13,930	13,910
Service departments	14,700	13,000	12,000	10,670	10,190	10,190
Gainfully occupied...	86,820	83,909	83,386	81,733	81,653	82,755
Labour supply	93,175	91,069	90,352	89,037	88,907	89,137
Unemployment	6,355	7,160	6,966	7,304	7,254	6,382

GROSS NATIONAL PRODUCT

£'000.

	1962	1964/65	1965/66	1966/67	1967/68	1968/69
Income from employment	24,356	23,690	23,359	22,168	21,808	22,126
Income from farmimg, fishing and Private Services	4,026	4,061	4,103	4,156	4,204	4,244
Gross trading Profits	12,559	12,275	12,437	12,209	12,118	12,314
Gross trading surplus of Government enterprises	422	593	720	929	1,065	1,213
Income from property	2,153	2,289	2,327	2,400	2,462	2,551
Gross Domestic Product	43,516	42,908	42,946	41,862	41,657	42,448
Net investment income	3,214	3,087	3,027	2,953	2,853	2,643
Gross National Product	46,730	45,995	45,973	44,815	44,510	45,091
Consumers' Expenditure	35,296	34,470	33,780	32,350	31,858	32,151
General-Government Current Expenditure	8,257	10,457	10,957	11,457	11,757	12,157
Gross Fixed Capital Formation	9,827	13,750	14,829	14,592	13,558	12,088
Value of Physical Increase in Stocks including residual error	1,125	507	711	1,148	521	917
Total Domestic Expenditure	54,505	59,184	60,277	59,547	57,694	57,313
Exports and Income from Abroad	31,100	28,907	27,890	26,657	26,942	28,306
Less Imports and Income Paid Abroad	32,825	35,162	35,298	34,961	34,550	35,148
Less Taxes on Expenditure	7,316	7,934	7,796	7,428	6,576	6,380
Subsidies	1,266	1,000	1,000	1,000	1,000	1,000
Gross National Product	46,730	45,995	45,973	44,815	44,510	45,091